

## **Directions under regulations 3 and 10 of the Income and Corporation Taxes (Electronic Communications) Regulations 2003 (S.I. 2003/282)**

These directions apply in relation to the delivery of information and the making of payments by or on behalf of a company in relation to the application of the Corporation Tax Acts and of Schedule 18 to the Finance Act 1998.

### ***Company tax returns (under paragraph 3 of Schedule 18 to the Finance Act 1998), and payments of tax and related amounts***

#### **1. Authorisation to use electronic communications - Regulation 3(2) & (3)**

The Commissioners for Her Majesty's Revenue and Customs (HMRC) hereby direct that a company, or the agent for a company, that is or may be required to deliver information (a "company tax return") in response to a notice under paragraph 3 of Schedule 18 to the Finance Act 1998, or to pay corporation tax or any associated interest or penalties, is authorised to do so using electronic communications.

The Commissioners further direct that a company that wishes to amend its company tax return for any period, or its agent, is authorised to do so using electronic communications.

#### **2. Authenticating identity of sender - Regulation 3(4)(a) & (7)**

The Commissioners for Her Majesty's Revenue and Customs hereby direct that the methods approved by them for authenticating the identity of the person sending information to HMRC by electronic communications are the use of a User ID and password, or a digital certificate where available. These must be set up as part of the HMRC or Business Link website registration process and Government Gateway verification process, in accordance with the Terms and Conditions for Online Services set out on the HMRC website<sup>1</sup>.

#### **3. Method of electronic communications - Regulation 3(4)(b) & (7)**

The Commissioners for Her Majesty's Revenue and Customs hereby direct that the method of electronic communications approved by them for the delivery of information to HMRC is the internet ("online delivery").

### ***Company tax returns delivered by electronic communications***

#### **4. Method of electronic communications - Regulation 3(4)(b) & (7)**

The Commissioners for Her Majesty's Revenue and Customs hereby direct that where a company is required to deliver a company tax return using electronic communication, the approved method is online delivery.

#### **5. Authenticating company tax returns - Regulation 3(4)(c), (6) & (7)**

The Commissioners for Her Majesty's Revenue and Customs hereby direct that the method approved by them for authenticating a company tax return delivered by means of electronic communications is as follows:

---

<sup>1</sup> <https://online.hmrc.gov.uk/information/terms> or successor web address

### *Companies delivering their own company tax returns*

Completion of a declaration in the return by the proper officer or other person authorised to act for the company in this regard that the return is correct and complete to the best of the knowledge of that person, as required by the Finance Act 1998, Schedule 18, paragraph 3(3).

### *Agents sending such returns on behalf of companies*

- 1) Inclusion in the return of the declaration required by the Finance Act 1998, Schedule 18, paragraph 3(3) that the return is correct and complete to the best of the knowledge of the proper officer or other person authorised to act for the company in this regard; and
- 2) Completion of the following procedure before the company tax return is sent:
  - a) the making by the agent of a copy (electronic or paper) of the information, and
  - b) the confirmation to the agent, by the proper officer or other person authorised to act for the company in this regard, that the information is correct and complete to the best of the knowledge and belief of that person.

The confirmation mentioned in paragraph 2) b) must be in writing, but may be given in electronic or non-electronic form.

### **6. Form of electronic communications - Regulation 3(5) & (7)**

The Commissioners for Her Majesty's Revenue and Customs hereby direct that the form approved by them in which the company tax return is to be delivered by means of electronic communications is as follows:

### *Compulsory electronic company tax returns to which regulation 3(2A) applies*

Where a company must use electronic communications to deliver its company tax return in accordance with regulation 3(2A), the whole company tax return must be delivered online either

- where the company meets the relevant criteria\*, using, and in accordance with the guidance for, the filing product provided by HMRC for the purpose on its website, or
- using other software\*\* that produces a company tax return meeting the following requirements:
  - a) The information required by the specified return form must be provided in Extensible Mark-up Language (XML) format. The "specified return form" means the version of HMRC's Form CT600 and related supplementary pages relevant to the period to which the return relates.
  - b) Where other software is used, or where a company using the HMRC filing product chooses not to use the integrated accounts template, the company's individual accounts required to be prepared under Chapter 4 of Part 15 of the

Companies Act 2006, or under the Building Societies Act 1986, or the Friendly and Industrial and Provident Societies Act 1968, or the Friendly Societies Act 1992, or the Insurance Accounts Directive (Miscellaneous Insurance Undertakings) Regulations 2008 (“the Companies Act etc”) must be delivered in iXBRL<sup>\*\*\*</sup> format.

- c) In the case of a parent company that chooses or is required to prepare group accounts under Chapter 4 of Part 15 of the Companies Act 2006 as well as individual accounts, the company may instead deliver consolidated accounts in iXBRL format, provided that those accounts provide the same information about the company as would be provided by individual accounts of the company.
- d) Companies not required to prepare individual accounts under the Companies Act etc may deliver the accounts required by the Notice to deliver a company tax return in iXBRL format.
- e) An overseas company resident in the UK must deliver the accounts required by the notice to deliver a Company Tax Return in iXBRL format.
- f) A company not resident in the UK but carrying on a trade in the UK through a permanent establishment, branch or agency in the UK must deliver any trading and profit and loss account and any balance sheet of the UK establishment, branch or agency required to be delivered as part of its company tax return in iXBRL format.
- g) Where other software is used, or where a company using the HMRC filing product chooses not to use the integrated computations template, computations showing the derivation of the entries in the company tax return form from the accounts must be delivered in iXBRL format.
- h) Accounts and computations delivered in iXBRL format must be delivered as separate iXBRL instance documents within the overall return.
- i) Other information, accounts, statements, reports, claims or correspondence included as part of the return must be sent as Portable Document Format (PDF) files.
- j) All parts of the company tax return, including any PDF documents, must be proper and complete and the content must be viewable by HMRC officers using appropriate software.

\* The “relevant criteria” are those set out in the guidance for use of the HMRC product on the HMRC website at the time the electronic communications are used.

\*\* Commercial products that have been successfully tested by HMRC to demonstrate that they can produce a company tax return in the required form are listed on the HMRC website.

\*\*\* “iXBRL” is Inline Extensible Business Reporting Language, a specification published by XBRL International Inc for embedding Extensible Business Reporting Language (XBRL) fragments into Hypertext Mark-up Language (XHTML) documents such that the fragments can be extracted to form a complete XBRL document.

*Voluntary electronic company tax returns to which regulation 3(2A) does not apply, and amendments to any company tax return*

Where a company that does not have to do so chooses to use electronic communications to deliver its company tax return, the whole return must be delivered online using either HMRC's own filing product or other software that produces a company tax return in the form set out, at the time of, and for the purposes of, the delivery of such a return or amendment in the Terms and Conditions for Online Services on the HMRC website<sup>2</sup>.

All parts of the company tax return, including any PDF documents, must be proper and complete and the content must be viewable by HMRC officers using appropriate software.

#### **7. Accuracy and completeness - Regulation 10(3)**

The Commissioners for Her Majesty's Revenue and Customs hereby direct that the standards of accuracy and completeness for the delivery of a company tax return to which regulation 3(2A) applies are as follows:

The relevant XBRL taxonomies must be correctly applied. In particular:

- For accounts, the extracted XBRL must conform to either the UK GAAP taxonomy or the UK IFRS taxonomy published by XBRL UK, or the equivalent recognised accounts taxonomy of the jurisdiction under whose law the accounts are prepared, applicable to the period covered by the return.
- For tax computations, the extracted XBRL must conform to the HMRC tax computation taxonomy published by HMRC on its website<sup>3</sup> applicable to the period covered by the return.

iXBRL accounts and tax computations must include XBRL fragments which can be extracted in respect of all specified information included in those accounts and computations.

"Specified information" means items within the minimum set of XBRL tags within the taxonomy applicable to the period covered by the return, as defined in the CT Online Technical Pack for Software Developers on the HMRC website.

The information required by the specified return form must conform to the relevant CT600 XML Schema and CT600 Schematron schema published within the CT600 RIM Artefacts in the Corporation Tax Online: internet service technical pack for Software Developers on the HMRC website.<sup>4</sup>

#### **8. General**

The following items mentioned above form part of this Direction, so far as relevant to it:

- The Terms and Conditions for Online Services
- The guidance for the filing product provided by HMRC

---

<sup>2</sup> <https://online.hmrc.gov.uk/information/terms> or successor web address

<sup>3</sup> [http://www.hmrc.gov.uk/ebu/ct\\_techpack/index.htm](http://www.hmrc.gov.uk/ebu/ct_techpack/index.htm) or successor web address

<sup>4</sup> [http://www.hmrc.gov.uk/ebu/ct\\_techpack/index.htm](http://www.hmrc.gov.uk/ebu/ct_techpack/index.htm) or successor web address

- The specified XBRL taxonomies
- The CT Online Technical Pack for Software Developers
- The CT600 XML Schema and Schematron schema

***Mandatory electronic payments under regulation 3(2B) – Regulation 3(4), (5) & (7)***

9. The Commissioners for Her Majesty’s Revenue and Customs hereby direct that the methods and forms of electronic communication approved for the purposes of making payments under regulation 3(2B) are the services known as: Direct Debit; Bacs Direct Credit (including telephone and internet banking); CHAPS; debit and credit card over the internet (“BillPay”); Government Banking Service (formerly known as Paymaster); Bank Giro and payments made through the Post Office.

***Other communications within the scope of the Income and Corporation Taxes (Electronic Communications) Regulations 2003***

10. The Commissioners for Her Majesty’s Revenue and Customs hereby direct that
- companies and their agents may use telephonic facsimile for other corporation tax communications to which these Regulations apply, and
  - companies and their agents who are members of the Shared Workspace online service may also use that facility for such communications.

***Revocation***

11. The following direction is revoked:

Date	Description
6 <sup>th</sup> January 2010	Directions under regulations 3 and 10 of the Income and Corporation Taxes (Electronic Communications) Regulations 2003 (S.I 2003/282) <sup>5</sup>

***Commencement***

12. These directions have effect from 4 January 2011.

***Signature***

The Commissioners for Her Majesty’s Revenue and Customs make these directions in relation to the matters referred to in regulations 3(3), 3(6), 3(7) and 10(3) of the Income and Corporation Taxes (Electronic Communications) Regulations 2003 (S.I. 2003/282).

Steve Lamey  
Dave Hartnett

8th December 2010      Two of the Commissioners for Her Majesty’s Revenue and Customs

---

<sup>5</sup> For the avoidance of doubt, the earlier directions made on 4<sup>th</sup> March 2003, revoked by the 6<sup>th</sup> January 2010 directions, remain revoked.