

**Company information**

Company name

Tax reference as shown on the CT603

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 Period covered by these Supplementary Pages (*cannot exceed 12 months*)

from (dd/mm/yyyy)

to (dd/mm/yyyy)

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**You need to complete these Supplementary Pages if**

the company is close and has made a loan (or loans) to an individual participator, or associate of a participator, in this period which has not been repaid within the period. Tax is due under S419 ICTA 1988.

**Important points**

- These Supplementary Pages, when completed, form part of the company's return.
- These Pages set out the information we need and provide a standard format.
- Complete the boxes with whole figures only, except where pence or decimals are indicated.
- The notes below will help you understand any terms that have a special meaning and notes on these Pages will help with the completion of this form.
- These Pages are covered by the Declaration you sign on back page of form *CT600*.
- The warning shown on form *CT600* about prosecution, and the advice about late and incorrect returns, and late payment of tax also apply to these Pages.

**Notes**

A '**close company**' is one which is under the control of five or fewer participators, or of any number of participators who are directors (S414 ICTA 1988).

A '**loan**' within S419 ICTA 1988 includes the situation where a participator incurs a debt to the close company (S419(2)(a) ICTA 1988), for example by overdrawing a current or loan account. There are two exceptions where S419 ICTA 1988 does not apply

- a debt incurred for the supply by the close company of goods or services in the ordinary course of its trade or business, unless the credit given exceeds six months, or is longer than that normally given to the company's customers (S420(1) ICTA 1988), and
- certain loans made to full-time working directors or employees who do not have a material interest in the close company (S420(2) ICTA 1988).

A '**participator**' is a person having a share or interest in the capital or income of the company and includes any loan creditor of the company (S417(1) ICTA 1988).

An '**associate**' of a participator includes any relative or partner of the participator and the trustees of any settlement of which the participator or their relative is, or was, a settlor (S417(3)(a) and (b) ICTA 1988).

Methods by which a loan can be 'repaid' include depositing money into the company's bank account, crediting the participator's current or loan account with a dividend, director's remuneration or bonus, or book entry.

The term '**release**' refers to a formal procedure that normally takes place under seal for a consideration, whereas '**write off**' is a wider term that does not necessarily require formal arrangements and could include acceptance by the company that the loan will not be recovered and has given up attempts to recover it.

# 1: Loans made during the return period

You must complete part 1 if the company is close and has made a loan to an individual participator, or associate of a participator, during the return period which has not been repaid within the return period. Enter in the table below, details of any outstanding loans made to a participator or associate of a participator during the return period. If the participator or associate has a current or loan account with the company, enter details of each participator's or associate's account. The amount you enter in column 2 of the table is the total of all debit entries on the account, less any credit entries and less any credit balance brought forward from the previous return period. In arriving at this figure you must exclude any credit entries that represent repayment, release or write off of loans made in earlier return periods.

**A1** Put an 'X' in this box if loans made during the period have been released, or written off before the end of the period

**A1**

**A2** Information about loans made during the return period and outstanding at the end of the period

Name of participator or associate	Amount of loan
	£
	£
	£
	£
	£
	£
<b>Total</b>	<b>A2</b> £

Total loans within S419 ICTA 1988 made during the return period which have not been repaid, released or written off before the end of the period

If a continuation sheet is used, please put an 'X' in box A2A

**A2A**

**A3** Tax chargeable on loans - (Tax due before any relief for loans repaid, released, or written off after the end of the period)

box A2 multiplied by 25%

**A3** £  p

# 2: Relief for amounts repaid, released or written off after the end of the period but *earlier than* nine months and one day after the end of the period - for loans made during the return period

Complete part 2 to obtain relief for loans included in box A2 that were repaid, released or written off if

- the return is for the period in which the loans were made **and**
- the loan was repaid, released or written off after the end of the period but **earlier than** nine months and one day after the end of the accounting period in which the loan was **made**.

Enter in the table details for each participator or associate. If there have been a number of repayments on an account, enter only the total repayments for that account and give the date of the last repayment. **A separate entry must be made for each loan or part loan that has been released or written off.**

**Example**

A company makes a loan during the accounting period ended 31 December 2004 and it is all repaid to the company on 30 June 2005. The company's tax return for the accounting period ended 31 December 2004 is sent to HM Revenue & Customs on 1 November 2005. Part 2 should be completed because the loan was repaid after the end of the accounting period but earlier than nine months and one day after it.

**A4 & A5** Information about loans repaid, released or written off after the end of the period but *earlier than* nine months and one day after the end of the period

Name of participator or associate	Amount repaid	Amount released or written off	Date of repayment, release or write off
	£	£	
	£	£	
	£	£	
	£	£	
	£	£	
	£	£	
<b>Totals</b>	<b>A4</b> £	£	<b>A5</b>

If a continuation sheet is used, please put an 'X' in box A5A

**A5A**

**A6** Total amount of loans made during the return period which have been repaid, released or written off after the end of the period but *earlier than* nine months and one day after the end of the period

total of boxes A4 and A5

**A6** £

**A7** Relief due for loans repaid, released or written off after the end of the period but *earlier than* nine months and one day after the end of the period

box A6 multiplied by 25%

**A7** £  p

## Most companies will not need to complete part 3 below

Only complete part 3:

- where the loan was made during the return period, and
- where repayment, release or write off was more than nine months after the end of the period in which the loan was made, and
- the return is submitted after the date on which relief is due (if the return is sent in very late, at least twenty-one months after the end of the return period).

If you are unsure whether or not to complete part 3, apply the following questions to each claim.

Put an 'X' in this box if the loan was made in the return period.

If it was not, then you cannot complete part 3; if it was then go on to the next box

dd/mm/yyyy

End date of accounting period in which the loan was repaid, released or written off

a

Enter the date 9 months after the end of that accounting period

b

Date you are sending in the company tax return for the period in which the loan was made

c

If the date at c is earlier than the date at b you cannot complete part 3, but can make a separate claim for the relief which is not due until the date in b.

If the date at c is later than the date at b you can complete part 3 below to obtain the relief now.

### 3: Relief for loans made during the return period repaid, released or written off *more than* nine months after the end of the period and *where relief is due now*

Complete part 3 only if loans made during the return period, that have not been included in part 2, have been repaid, released or written off and where relief is due now (see the notes above under 'Most companies will not need to complete part 3').

#### Example

A company makes a loan during the accounting period ended 31 December 2004 and it is all repaid on 30 November 2005. The company's return for the accounting period ended 31 December 2004 is sent to HM Revenue & Customs on 1 December 2005. Part 3 of this form **should not** be completed because, although the loan was repaid more than nine months after the end of the return period, the return is sent earlier than nine months after the end of the return period in which the loan was repaid.

Relief for the repayment cannot be given until the due date of the accounting period in which the repayment was made, in this case 1 October 2006 (Ss419(4A) and (4B) ICTA 1988). The company must make a separate claim for relief.

#### Example

Same as example above except that the return is not sent in until 3 December 2006. Relief for the repayment is due on or after 1 October 2006. In this case part 3 can be completed because the repayment was made more than nine months after the end of the accounting period in which the loan was made, and the relief is due at the time the return is sent in.

**A8 & A9** Information about loans made during the return period which have been repaid, released or written off *more than* nine months after the end of the period *and relief is due now*

Name of participator or associate	Amount repaid	Amount released or written off	Date of repayment, release or write off
	£	£	
	£	£	
	£	£	
	£	£	
	£	£	
	£	£	
	£	£	
Totals	A8 <input type="text"/> £	£	<input type="text"/> A9

If a continuation sheet is used, please put an 'X' in box A9A

A9A

A10 Total amount of loans made during the return period which have been repaid, released, or written off *more than* nine months after the end of the period *and relief is due now*

total of boxes A8 and A9

A10 £

A11 Relief due now for loans repaid, released or written off *more than* nine months after the end of the period. *Put an 'X' in box 80 on form CT600 if you have completed box A11*

box A10 multiplied by 25%

A11 £

p

## 4: Other information

**A12** Total of all loans outstanding at end of return period - including all loans outstanding at the end of the return period, whether they were made in this period or an earlier one.

A12 £

## 5: What S419 ICTA 1988 tax is payable?

**A13** Tax payable under S419 ICTA 1988  
*Copy the figure in box A13 to box 79 on form CT600*

box A3 minus total of boxes A7 and A11  
A13 £  p

### What to do when you have completed these Supplementary Pages

- Copy the figure from box A13 in part 5 to box 79 of the form *CT600*.
- Put an 'X' in box 80 of form *CT600* if you have completed box A11 in part 3 of these Pages.
- Follow the advice shown under 'What to do when you have completed the return' on page 23 of the *Guide*.