



## Incorrect rate being used for Corporation Tax

We are finding that some Insolvency Practitioners (IPs) are submitting Corporation Tax returns for periods ending after 01/04/20 using an incorrect rate for Corporation Tax. We think this may be happening due to the change to the rate in Budget 2020, when it was confirmed it was to remain at 19% and not be reduced to 17% as originally detailed in Budget 2016.

GOV.UK was [updated to reflect this following the Budget on 11 March 2020](#).

The main [rates and allowances page](#) for Corporation Tax was updated on 1 April 2020.

Please ensure that you are using the correct rate for Corporation Tax on all returns you submit. Using the incorrect rate may result in delays in HMRC being able to provide clearance to close the case whilst corrections are being made. It may also result in the incorrect amount of tax due being paid and/or recorded in the insolvency records, leading to additional work for both IPs and HMRC.

In addition to this, where a CT600 return straddles two financial years, please ensure you complete boxes 330 to 395 inclusive to avoid a possible delay in providing clearance.

CT processing teams have been alerted to this issue and advised to amend the rate wherever possible without redress to the IP. However, it is probably advisable for everyone to check the Corporation Tax position for their cases.