

Specials and Exclusions - SA900 2010/11

Special Cases

1. Most developer's will have taken the following items into account in their software. If a customer does find though that they cannot file online for one of these reasons, a claim for reasonable excuse should accompany the paper return.
2. Any paper return submitted must conform to the normal rules for paper returns even if it is a computer generated paper return e.g. it must hold a valid signature.
3. Where an HMRC recommended workaround causes an online return to be submitted with an entry that is not strictly correct, HMRC will not take action on that particular entry for that reason alone provided that the inaccuracy is in accordance with the workaround and purely to facilitate online filing.

Please note the changes list is on page 6 of the document

| Unique ID | Box number | Issue | Workaround | Status |
|-----------|---|---|-----------------|--------|
| 1 | Documents etc required to be submitted with return | Where the return Guidance asks for documents to be sent with the return, you should submit the document as an attachment. The total file size of these attachments must not exceed 5mb before encoding. Where you do not provide an attachment facility in your product, or it would not be appropriate to send the information via the electronic attachment feature the return should be submitted electronically and any paper document sent to the relevant HMRC office no later than 1 month after the return is filed electronically. | For information | - |

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| 2 | Repayment to nominee | <p>Where the return information is transmitted by the taxpayer or a Filing Only Agent and it contains a request for repayment to a nominee, the submission of the return via the Internet will be taken as the taxpayer's authority to repay the nominee.</p> <p>Where the return information is transmitted by a Filing Only Agent and it contains a request for repayment (over a certain level) to:</p> <ul style="list-style-type: none"> • the taxpayer, by payable order, with a change of address for the taxpayer • a nominee <p>the automatic creation of the repayment will be inhibited until further clerical action has been undertaken.</p> | For information | - |
| 3 | More than one accounting period | <p>Where there is more than one set of accounts for the basis period separate Trade pages should be completed for each set of accounts. However, only one set of Trade pages should be filed by the Internet. These pages should be completed with details for the latest accounting period and boxes 1.74 to 1.98, as appropriate should be completed to arrive at the taxable profit for the basis period.</p> <p>Additional Trade pages for any other accounting periods should be submitted by paper separately with a covering letter explaining that they form part of the return which has been submitted electronically and are for information purposes only. Boxes 1.74 to 1.98 should not be completed on these additional pages.</p> | For information | - |

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| 4 | Limit restrictions on iterative boxes | If you attempt to submit more boxes (i.e. iterative) than is allowed by the schema (technical documentation) your return will fail when filed online, unless you follow the workaround. | <p>If, exceptionally, you have more items to include in a section than the schema (technical documentation) allows, amalgamate items as follows (but it is permissible for you to amalgamate as seems sensible):</p> <ul style="list-style-type: none"> ● Complete all but the final entry line as normal. ● Amalgamate any remaining items together & enter the total in the final entry line. ● Note that in all cases if there is a total box it must show the total of all the entry lines including the amalgamated line(s). ● Include an attachment with the return (or use additional space) to make a full return of those items amalgamated for convenience. | - |
| 5 | Box 4.4 of SA904 | Any sum entered in box 4.4 of the Foreign pages (SA904) that is attributable to foreign chargeable premiums should be taxed at the special trust rates. If the tax return relates to a trustee who is not taxable at the RAT or dividend trust rate, the tax calculation will not charge sufficient tax on the foreign chargeable element. | Enter the additional tax due on the foreign element in box 17.2 of the SA900 and include an explanation in the 'Additional information' box 21.11. | |

Exclusions

Cases Excluded from Internet filing

1. Where a trust return cannot be filed online for a reason listed below, provided that a paper return is delivered on or before 31st January following the end of the tax year to which the return relates, HMRC will accept that the taxpayer had a reasonable excuse for failing to file a paper return by the normal 31st October deadline. A reasonable excuse claim should accompany the paper return.
2. Any paper return submitted must conform to the normal rules for paper returns even if it is a computer generated paper return e.g. it must hold a valid signature.
3. Where an HMRC recommended workaround causes an online return to be submitted with an entry that is not strictly correct, HMRC will not take action on that particular entry for that reason alone provided that the inaccuracy is in accordance with the workaround and purely to facilitate online filing.

Please note the changes list is on page 6 of the document

| Unique ID | Box number | Issue | Workaround | Status |
|-----------|-----------------------------------|--|---|--------|
| 1 | Early submission of Return | Where it is considered necessary to file a return before the end of the tax year (eg before 6 April 2011 for a 2010/11 return). | For information | - |
| 2 | On-line Amendment window | Return amendments can be submitted up to 12 months after the statutory filing date. Where a return has been issued late and legitimately filed after 31st January the customer should have a further 12 month period to submit an amendment. However the system only allows on-line amendments to be submitted within 12 months of the on-line filing date of 31st January - amendments received before midnight on 31st January will be accepted. | Amendments made more than 12 months after the on-line filing date should be submitted on paper. | - |

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|---|--|--|--|-------------------------------------|
| 3 | Boxes 23.4 & 23.5A of SA923 | <p>The 2010/11 tax calculation will not charge the correct amount of tax where the customer enters</p> <p>1) an amount greater than £10,800 in box 23.4 or</p> <p>2) where there is an entry in box 23.5A.</p> <p>The reason for this is that for 2010/11 there was a change to the tax chargeable on income entered in either of these boxes. Box 23.4 tax is chargeable on the first £20,000 at 20%. However the calculation charges only the first £10,800 at 20%, any balance over £20,000 is chargeable at 50% but the tax calculation will charge any amount over £10,800 at 40%.</p> <p>In addition any amount entered in box 23.5A should be taxed at 50%, however the tax calculation will only charge 40%.</p> | <p>There is no work around. The customer must not file on line but will need to complete a paper return</p> | <p>This will be fixed for 11/12</p> |
| 4 | <p>SA900 (page 2) Income and Capital Gains Step 1 cases with no tax liability</p> | <p>Trustees of bare or interest in possession trusts that have no tax liability, and are not due a refund, will have to enter zero in box 17.1.</p> <p>Personal representatives of deceased people who have no additional tax liability, and are not due a refund, for a period of administration will also have to enter zero in box 17.1.</p> <p>If the tax return software does not support the relevant entries in step 1 together with a zero entry in box 17.1 then the the return will either have to be filed on paper or the adjacent workaround used.</p> | <p>1) Trustee of a bare trust - tick box 8.15 - tick Q17 - insert '0' (zero) in Q17.1 - in white space at box 21.11 add 'bare trust'</p> <p>2) Personal Representative of a deceased person for a period of administration - tick box 8.2 - tick Q17 - insert '0' (zero) in Q17.1</p> <p>3) Trustee of an interest in possession trust - tick box 8.15 - tick Q17 - insert '0' (zero) in Q17.1</p> | |

Changes

v3.0 01/09/2011

Changes from v2.0

| Unique ID 2010/11 | Changes to Exclusions |
|-------------------|--|
| Exclusion ID3 | Update to Status section regarding fix for 2011/12 |

v2.0 05/04/2011

Changes from v1.0

| Unique ID 2010/11 | Changes to Exclusions |
|-------------------|-----------------------|
| Exclusion ID4 | New Entry |

v1.0 Baseline 31/01/11

Changes from v0.4

| Unique ID 2010/11 | Changes to Specials-Exclusions |
|-------------------|---------------------------------|
| Special ID1-ID5 | No Change from Final Draft v0.4 |
| Exclusion ID1-ID3 | No Change from Final Draft v0.4 |

v0.4 28/01/11

Changes from v0.3

| Unique ID 2010/11 | Changes to Specials-Exclusions |
|-------------------|--------------------------------|
| Special ID5 | Change to wording |
| Exclusion ID3 | Change to wording |

v0.3 17/01/11

Changes from v0.2

| Unique ID 2010/11 | Changes to Specials |
|--------------------------|----------------------------|
| Special ID5 | New Entry |

v0.2 21/12/10

Changes from 2009/10

| Unique ID 2010/11 | Changes to Specials-Exclusions |
|-------------------------------|---------------------------------------|
| Special ID1 - ID4 inclusive | No change from 2009/10 |
| Exclusion ID1 - ID2 inclusive | No change from 2009/10 |
| Exclusion ID3 | New Entry for 2010/11 |