

Late Submission of Returns - Restriction of Claims to Relief Corporation Tax

Part 47-06-04

This document should be read in conjunction with section 1085 Taxes Consolidation Act 1997

Document last updated April 2020.

Please consult the [COVID-19 pages on the Revenue website](#) for further information in relation to the subject matter of this manual

1. Late submission of returns - restriction of claims to relief

Failure to file a timely return for corporation tax can lead to a surcharge where there is a liability to tax. Late filing also has consequences for companies seeking to avail of/surrender “excess losses”, etc.

Under section 1085 Taxes Consolidation Act 1997 (TCA) claims to the following reliefs are restricted where tax returns are not submitted on time. The amount of the restriction is computed by reference to the length of the delay in filing. The restriction is computed as a percentage of the relief that would otherwise be available, subject to a maximum restriction depending on the length of the delay in filing.

Claims affected	Restriction: delay in filing of less than two months	Restriction: delay in filing of two months or more
Excess capital allowances: section 308(4) TCA	25% of the amount otherwise available	50% of the amount otherwise Available
Loss relief: sections 396(2); 396A(3); 396B(2) and 399(2) TCA	25% of the amount otherwise claimable	50% of the amount otherwise Claimable
Group relief claims	25% of profits as reduced by any other relief from tax other than group relief	50% of profits as reduced by any other relief from tax other than group relief
Group relief: surrender of “losses”: sections 420; 420A(3) and 420B TCA	25% of the “losses” etc. otherwise available	50% of the “losses” etc. otherwise available
Maximum restriction or reduction	€31,740 for the chargeable period	€158,715 for the chargeable period

2. Incomplete corporation tax returns

Where a company has a liability either to a surcharge on close company’s undistributed investment and estate income under section 440 or 441 TCA or income tax due on loans to participators/annual payments under section 239 TCA, these must be included on the form CT1.

Returns that do not include the section 440/441 surcharge or the section 239 liability are incomplete and may be subject to interest and a surcharge under section 1084 for failure to submit a correct return (as well as the additional tax due).

For more details on surcharges for late filing see [Part 47-06-08](#) for corporation tax returns and [Part 47-06-01](#) for income tax returns.

3. Late submission of CT1 2019

Where a CT1 return, in respect of an accounting period ending June 2019 onwards and due by 23 March 2020 onwards –

- is filed late,
- is not a return that is deemed to be filed late under section 1084(1)(b) TCA, and
- the late filing is the result of COVID-19 circumstances,

the late CT1 return may be completed without the restriction of reliefs, such as loss relief and group relief, required by section 1085(2) TCA 1997.

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