

Caroline Lucas

House of Commons corporation tax penalty questions and resulting answers

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- 1. Caroline Lucas: To ask the Chancellor of the Exchequer how many companies were issued with penalty notices as a result of failure to submit a corporation tax return on time in (a) 2009-10, (b) 2010-11, (c) 2011-12 and (d) 2012-13; and if he will make a statement.**

Mr Gauke: The number of companies issued with penalty notices as a result of their failure to submit a company tax return on time in the relevant years was:

Number of companies

2009-10 371,590

2010-11 262,885

2011-12 241,954

2012-13 215,355

Companies have been counted a maximum of once in each year, regardless of the number of penalty notices issued to the company in one year.

- 2. Caroline Lucas: To ask the Chancellor of the Exchequer what the value of penalty notices issued in respect of the failure by companies to submit their corporation tax returns on time was in (a) 2009-10, (b) 2010-11, (c) 2011-12 and (d) 2012-13.**

Mr Gauke: The value of the penalty notices issued in respect of the failure by companies to submit their Company Tax Returns on time in the relevant years was:

Value of penalty notices issued (£)

2009-10 250,720,294

2010-11 376,799,018

2011-12 164,105,964

2012-13 154,402,450

The value includes all late filing penalties recorded by HMRC in each year, with no adjustment made for those which were later amended, cancelled or remitted. Both flat rate and tax related penalties have been included.

- 3. Caroline Lucas: To ask the Chancellor of the Exchequer what value of penalties due by companies for failing to submit a corporation tax return was outstanding at the end of (a) 2009-10, (b) 2010-11, (c) 2011-12 and (d) 2012-13.**

Mr Gauke: The cumulative amounts of penalties imposed but not paid were:

Total penalties outstanding at the year end (£)

2009-10	141,483,787
2010-11	127,718,683
2011-12	136,962,755
2012-13	140,334,218

These figures are cumulative. Penalties outstanding in one year which are still outstanding in later years are included in the figure for each year.

- 4. Caroline Lucas: To ask the Chancellor of the Exchequer what the value was of penalty notices issued for the non-submission of corporation tax returns written off as irrecoverable in (a) 2009-10, (b) 2010-11, (c) 2011-12 and (d) 2012-13; and if he will make a statement.**

Mr Gauke: The value of late filing penalties remitted as irrecoverable in each of the relevant years was:

Total penalties remitted (£)

2009-10	90,797,705
2010-11	99,782,885
2011-12	58,826,526
2012-13	53,412,825

The value of late filing penalties remitted as irrecoverable in a year relates to penalties issued in the year and in earlier years.

- 5. Caroline Lucas: To ask the Chancellor of the Exchequer how many of the penalty notices issued to companies as a result of their failure to submit a corporation tax return on time in each of the years (a) 2009-10, (b) 2010-11, (c) 2011-12 and (d) 2012-13 were withdrawn as a result of successful appeals by the companies to whom they were issued; what value of penalties was waived as a result of such appeals in each such year; and if he will make a statement.**

Mr Gauke: The information requested is not centrally collated and could be provided only at disproportionate cost.

- 6. Caroline Lucas: To ask the Chancellor of the Exchequer how many penalty notices issued with regard to late submission of a corporation tax return were waived in each of the years ending 31 March from 2007 to 2013 inclusive; what the total monetary amount waived was in each such year; and if he will make a statement.**

Mr Gauke: HMRC does not 'waive' penalties. Every penalty imposed is either paid, pursued for payment, discharged on successful appeal, or remitted as an uncollectible debt—typically where a company has become insolvent or been struck off the Companies House Register.

Amounts remitted can be reinstated if new considerations come to light.

- 7. Caroline Lucas: To ask the Chancellor of the Exchequer pursuant to the answer of 17 January 2014, Official Report, columns 728-9W, on corporation tax, if he will provide figures for all penalties imposed that were (a) paid, (b) discharged on successful appeal and (c) remitted as uncollectable debt for each of the last four tax years; how much remained unpaid at the end of each such year; and if he will make a statement.**

Mr Gauke: Over the period, fewer companies have been failing to file returns on time, and HMRC has improved the way they identify companies that are asked to file a return so that returns are not requested from companies that are not active.

The information is provided in respect of years running from 1 April to 31 March. Amounts are rounded to the nearest £100,000.

(a) The net amounts of penalties paid were as follows:

As at 1 April to 31 March each year £

2009-10	31,800,000
2010-11	29,900,000
2011-12	24,200,000
2012-13	22,900,000

(b) Figures for penalties discharged on successful appeal are not centrally collated and could be provided only at disproportionate cost.

(c) The amounts of penalties remitted as uncollectable debt were:

As at 1 April to 31 March each year £

2009-10	91,000,000
2010-11	99,800,000

2011-12	58,800,000
2012-13	53,400,000

(d) Information on the amounts of penalties unpaid at each year end is not available and could be provided only at disproportionate cost.