

*This Explanatory Memorandum refers to the  
Corporation Tax (Notice of Coming within Charge – Information) Regulations  
2004*

**EXPLANATORY MEMORANDUM  
THE CORPORATION TAX (NOTICE OF COMING WITHIN CHARGE –  
INFORMATION) REGULATIONS 2004 No. 2502**

1. This explanatory memorandum has been prepared by the Commissioners of Inland Revenue and is laid before the House of Commons by Command of Her Majesty.

2. This memorandum contains information for the Select Committee on Statutory Instruments.

**Description**

3. These regulations prescribe the other information required to satisfy the requirement to notify coming within the charge to corporation tax introduced by section 55 Finance Act 2004.

**Matters of special interest to the Select Committee on Statutory Instruments**

4. None.

**Legislative Background**

5. Section 55(2)(c) Finance Act 2004 specifies that the notice of coming within the charge to corporation tax, which any company (except unincorporated associations) commencing its first corporation tax accounting period is required to submit, must contain such other information as may be prescribed.

6. Regulation 2(3) of these Regulations lists the information which is required to satisfy the obligation under section 55(2)(c).

**Extent**

7. This instrument applies to any company within the scope of United Kingdom corporation tax, excluding unincorporated associations.

**Policy background**

8. The requirement introduced by section 55 Finance Act 2004 is designed to ensure that companies provide information promptly to the Inland Revenue. This information will be used:

- To make sure the necessary tax records for the new company are set up as soon as possible
- To enable the Revenue to provide new companies with help and support in complying with their corporation tax obligations
- To assist in compliance risk assessment
- To enhance Government policy relating to company tax by having statistical information available as soon as possible.

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9. The information requested consists of:

- Basic information designed to identify the company and to enable the Revenue to keep in touch (name, address, registration number)
- Information about the company's business or activity
- Information designed to link the company's tax records to other relevant records (directors, records for the company as an employer, previous owners of the business, parent company of the group of companies).

10. Unincorporated associations are excluded from the notification requirement introduced by section 55, on the grounds that the requirement would impose a disproportionate burden on small clubs and associations.

**Impact**

11. A Regulatory Impact Assessment has not been prepared for this instrument as it will have a negligible impact on business, charities or voluntary bodies.

**Contact**

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