

## **M53 INTERIM ASSESSMENTS (sections 73(2)(a), 76 and 76A)**

Section 73(2)(a) allows the Director to issue an interim assessment at **any time** after the commencement of a year of charge, taking into account an estimate of the income for the whole of that year. The right of appeal against any interim assessment under section 76, that previously existed, has been removed with effect from 1 January 2017, and replaced with a right to have the collection of some or all of the tax suspended, under 76A.

The request for suspension must be made within 30 days of the date of the assessment and if this is not done then the tax due on the interim assessment becomes payable in accordance with the Law. If a request is made (and a "Suspension Request Form" is available on the website under "other tax forms" for this purpose) and the Director does not agree to the suspension, the Director will inform the person of his decision. There is the normal right of appeal against the refusal to suspend all or part of the collection of the tax due. If the Director does not respond to the "Suspension Request Form" within 30 days he is deemed to have accepted the request made.

The interim assessment will be revised to a final assessment when the Director has received a fully completed return, so long as the return is submitted within the time permitted for the submission of it.

Should the return not be submitted within the period allowed, the Director will issue a final assessment, based in whole or in part on estimated figures. The normal right of appeal will apply to those final assessments issued. However there is no right of appeal against the refusal of the Director to allow any of the tax on such a final assessment to remain unpaid.

The timeline for the bulk issue of interim (estimated) assessments and subsequent action will be as follows: (the 1 January dates onwards would also apply to any manually issued interim assessments for a year of charge, regardless of its date of issue)

Mid/late-May	Interim (estimated) assessments will be issued, as normal, for all cases where tax needs to be collected on non-ETI sources of income.
30 June	First instalment will be due, in full, if no request for suspension of tax is received. If a suspension request is received and accepted, then only the balance of any tax due would be required.
31 December	Second instalment will be due, in full (or in part if a suspension request has been accepted).
1 January	Return will be available for completion.

30 November	Filing deadline for completion of the return.
Early December	Accountant notified form has not been received, or issue of form reminder letter, if the person is not represented.
15 January	Initial penalties will be imposed for failure to submit the return.
February/March	Ongoing daily penalties will be imposed if the return is still not submitted.
Early May/June	A list will be produced for all cases where the return has still not been received and an interim assessment is in place for the year. Final assessments will be produced based on all information available. The normal right of appeal would apply to the revised assessment.

If a return is received after the issue of the final assessment, and no appeal has been received, the final assessment already made will stand, unless the return shows additional income to be assessed.

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