

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

Part 47-06-04

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

Document last reviewed November 2024

Please consult the [COVID-19 pages on the Revenue website](#) for further information on the special Covid-19 arrangements

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 or surrender "excess losses".

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
<i>Excess capital allowances: section 308(4) TCA</i>	25% of the amount otherwise Available	50% of the amount otherwise available
<i>Loss relief: sections 396(2); 396A(3); 396B(2) and 399(2) TCA</i>	25% of the amount otherwise Claimable	50% of the amount otherwise claimable
<i>Group relief claims</i>	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
<i>Group relief - surrender of "losses": sections 420, 420A(3) and 420B TCA</i>	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 a close company's undistributed investment and estate income under section 440 or 441 TCA, or income tax due on loans to participators or annual payments under section 239 TCA, these must be included on the form CT1.

Returns that do not include the surcharge under sections 440/441 TCA or the liability under section 239 TCA are incomplete and may be subject to interest and a surcharge under section 1084 TCA 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](#) 1 for income tax returns.

3. Late submission of CT1s and iXBRL financial statements – Covid-19 concessions

In recognition of the unprecedented situation facing taxpayers as a result of the COVID-19 pandemic, the application of a surcharge for late CT1 Corporation Tax returns for accounting periods ending June 2019 onwards (that is, CT1 returns due by 23 March 2020 onwards) was suspended until 1 July 2021. Similarly, the application of a surcharge for late iXBRL financial statements for accounting periods ending March 2019 onwards (that is, iXBRL financial statements due by 23 March 2020 onwards) was suspended until 1 July 2021. The late filing surcharge applies as normal to CT1s filed for accounting periods ending October 2020 onwards and iXBRL financial statements filed for accounting periods ending July 2020 onwards.

Where a CT1 return, in respect of an accounting period ending between June 2019 and September 2020, due by a date on or after 23 March 2020 but before 30 June 2021 –

- was filed late, but before 1 July 2021,
- was not a return that is deemed to be filed late under section 1084(1)(b) TCA, and
- the late filing was 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. Late filing surcharges and restriction of reliefs will apply where CT1s to which the extension applied, were not filed by 1 July 2021.

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