

# **RELEASE NOTES**

## **for Corporation Tax**



Version 9.0 Build 3

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***software***

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### INTRODUCTION

As per Revenue guidelines and due to the implementation of the Finance Act 2019 and amendment in the taxonomy, we have made more than 28 changes in **Relate Corporation Tax Version 9.0 Build 3** for the Tax Year 2020. The major and minor changes have been made to **Relate Corporation Tax Manager** to comply with Revenue.

### MAJOR CHANGES IN TAX YEAR 2020

Major changes include several new tax fields and subsections to be filled in where applicable under

- **Trading Results**
  - Option to claim to carry back of loss under Sec. 396A(3)TCA 1997
  - Option to disclose Interim claim Sec396D
  - Option to indicate Profits from Qualifying Assets under Chapter 5 of Part 29 TCA 1997
  - Option to disclose Carry back losses under Profits from Qualifying Assets Details
  - Option to indicate an Interim claim under Sec. 396D in Profit from Qualifying Assets Details
  - Option to indicate to a claim for relief under Section 291A
  - Option to enter the amount of loss claimed under Sec. 396(2) in Carry back of losses
  - Option to disclose Interim claim under Sec. 396D in Trade Losses subsection
- **Deductions, Reliefs and Credits**
  - Option to enter the Trading Losses Carried back
  - Option to indicate the Interim claim under Sec. 396D in Relief on Value Basis
  - Option to enter the Trading Losses in respect of Qualifying Assets Carried Back
  - Option to indicate the Interim claim Sec 396D for Trading Losses in respect of Qualifying Assets Carried Back (Sec.396B)

### MINOR CHANGES IN TAX YEAR 2020

Minor changes have been made to the following areas for the Tax Year 2020:

New Tax Fields for:

- **Irish Investment and Other Income**
  - Option to choose an adjustment under anti-hybrid provisions of Part 35C

Relate Software is committed to strong customer service and satisfaction. At all times you will be able to make contact with our company and our technical service teams. Relate Software will provide the highest level of customer service. We will provide telephone support as well as online remote access support.

This document outlines the changes made in **Relate Corporation Tax Manager Version 9.0.3**. Please take time to read the notes. If you have any queries, please contact support on [support@relate-software.com](mailto:support@relate-software.com) or call +353 1 4597800 (ROI).

The following program changes have been introduced to fulfil the requirements of Revenue and requests from both users and internal quality control reviews.

If you have any further changes you would like to see in Corporation Tax, please send an email to [enhancements@relate-software.com](mailto:enhancements@relate-software.com)

#### Important

**Please note it is very important that before running any database update you perform a database backup. Relate Software always advise that your practice takes regular backups to minimise any loss of data.**

## TRADING RESULTS

### OPTIONS TO CLAIM TO CARRY BACK OF LOSSES UNDER TRADE PROFITS AT 12.5%

As per the Revenue guideline, Section 396A (3) of TCA 1997 refers to the profits against which losses may be carried back.

The profits against which a loss may be carried back are limited to those arising in accounting periods or parts of accounting periods falling within a period equal in length to, and immediately preceding, the accounting period in which the loss was incurred.

To comply with Revenue, we have added an option for **[Carry back of losses]** in Relate Corporation Tax Manager for the Tax Year 2020. The new fields are as follows:

#### Carry back of losses:

- (a) Loss claimed under Sec. 396A(3) TCA 1997 (carry back of losses)
- (b) I confirm that the amount entered above is:
  - (i) An interim claim under Sec 396D [Tick box]

The amount entered must be no more than 50% of your estimated relevant trading loss

- (ii) The final claim for this loss under Sec. 396A(3) [Tick box]

See Figure 1:

The screenshot shows the 'Trading Results' section of the R001 Demonstration Company Tax Return 2020 software. The 'Carry back of losses' section is highlighted with a red box. It contains the following fields:

- (a) Loss claimed under Sec. 396A(3) TCA 1997 (carry back of losses): € 0 220
- (b) I confirm that the amount entered above is:
  - (i) An interim claim under Sec 396D for this loss: ☒ (The amount entered must be no more than 50% of your estimated relevant trading loss)
  - (ii) The final claim for this loss under Sec 396A(3): ☐

Below the 'Carry back of losses' section is the 'Interim claim Sec 396D' section, which includes:

- (c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period: ☒
- (d) I confirm that the company is tax compliant: ☒

The bottom of the screen shows the 'Profits from Qualifying Assets under Chapter 5 of Part 29 TCA 1997' section, which includes a checkbox for 'Are amounts relating to a claim for relief under Section 291A included below (under trade profits at 12.5%)?'.

Figure 1: Indicate Carry back of losses under Sec. 396A(3) of TCA 1997

## OPTION TO INDICATE INTERIM CLAIM UNDER SEC. 396D UNDER TRADE PROFITS AT 12.5%

As per the Revenue guideline, Section 396D of the TCA 1997 provides for a temporary acceleration of Corporation Tax loss relief for companies. The provision allows companies to estimate trading losses for certain accounting periods affected by the Covid-19 restrictions and make a provisional claim, referred to as an 'interim claim', to carry-back up to 50% of those losses against taxable profits of the preceding accounting period on an accelerated basis.

This will result either in repayment of some or all the Corporation Tax paid for that period or in a reduction in the amount of the Corporation Tax payable for that period. The purpose of section 396D is to provide cash-flow support to previously profitable companies who have become loss-making during the period impacted by Covid-19 and the associated public health measures.

To comply with the Revenue, we have added an option for [Interim claim Sec. 396D] in Relate Corporation Tax Manager for the Tax Year 2020. The new fields are as follows:

### Interim claim Sec. 396D

- (c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period [Tick box]
- (d) I confirm that the company is tax compliant [Tick box]

The company is tax compliant if its tax affairs are up to date and there are no returns or payment outstanding.

See Figure 2:

The screenshot shows the 'Trading Results' section of the R001 Demonstration Company Tax Return 2020. The 'Interim claim Sec 396D' section is highlighted with a red box. It contains the following text and checkboxes:

- (c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period ☒
- (d) I confirm that the company is tax compliant ☒
- The company is tax compliant if its tax affairs are up to date and there are no returns or payments outstanding

Below this section, there is a section for 'Profits from Qualifying Assets under Chapter 5 of Part 29 TCA 1997'.

Figure 2: Option to indicate the Interim claim under Sec. 396D under Trade Profits at 12.5%

## OPTION TO INDICATE PROFITS FROM QUALIFYING ASSETS UNDER CHAPTER 5 OF PART 29 TCA 1997

As per the Revenue guideline to indicate the details of Profits, Losses, Capital Allowances, Charges and Group Relief in respect of Qualifying Assets we have added a tick box.

To comply with the Revenue, we have added the following tax field in Relate Corporation Tax Manager for the Tax Year 2020.

- Are amounts relating to a claim under Section 291A included below (under trade profits at 12.5%)? [Tick box].

See figure 3:

The screenshot shows the 'Trading Results' section of the R001 Demonstration Company Tax Return 2020. The sidebar on the left lists various tax categories, including 'Trading Results', 'Extract from Accounts', 'Irish Rental Income', 'Irish Investment and Other Income', 'Foreign Income', 'Exempt Profits', 'Capital Gains', 'Chargeable Assets', 'Deductions, Reliefs and Credits', 'Research and Development Credit', 'Capital Gains (Development Land)', 'Close Company Surcharge', 'Recovery of Income Tax', 'Dividend Withholding Tax', 'Property Based Incentive', 'CT Self Assessment', and 'CGT/IT Self Assessment'. The main area displays the 'Trading Results' section, which includes input fields for 'Charges (Enter S.247 non-trade charges and Group Relief non-trade charges in Deductions, Reliefs & Credits Panel)', 'Total Group Relief claimed', 'Interim claim Sec 396D', and 'Carry back of losses'. A red box highlights a tick box labeled 'Are amounts relating to a claim for relief under Section 291A included below (under trade profits at 12.5%)?' with a red arrow pointing to it.

Figure 3: Option to indicate relating to claim for Relief under Section 291A

## OPTION TO DISCLOSE CARRY BACK OF LOSSES UNDER PROFITS FROM QUALIFYING ASSETS DETAILS

To comply with the Revenue, we have added an option to enter the relief under Sec.396A(3)TCA 1997 in respect of Qualifying Assets under the Carry back of losses. The following tax fields have been added in the Relate Corporation Tax Manager for the Tax Year 2020. The new tax fields are as follows:

### Carry back of losses:

- Relief under Sec.396A(3) TCA 1997 in respect of Qualifying Assets (carry back of losses)
- (b) I confirm that the amount entered above is:
- (i) An interim claim under Sec 396D for this loss [Tick box]
- The amount entered must be no more than 50% of your estimated relevant trading loss

- (ii) The final claim for this loss under Sec 396A(3) [Tick box]

See figure 4:

**Trading Results**

**Carry back of losses**

Relief under Sec.396A(3)TCA 1997 in respect of Qualifying Assets (carry back of losses)

(b) I confirm that the amount entered above is:

(i) An interim claim under Sec 396D for this loss ☐ ☐

The amount entered must be no more than 50% of your estimated relevant trading loss

(ii) The final claim for this loss under Sec 396A(3) ☐ ☐

**Interim claim Sec 396D**

(c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period ☐ ☐

(d) I confirm that the company is tax compliant ☐ ☐

The company is tax compliant if its tax affairs are up to date and there are no returns or payments outstanding

**Carry back of losses under Profits from Qualifying Assets under Chapter 5 of Part 29 TCA 1997 Details subsection for the Tax Year 2020**

Number of Qualifying Assets in respect of which the above relief is being claimed	Prior Years		New Claims	
	No. of Assets	Value of Assets	No. of Assets	Value of Assets
Computer programs	<input type="text" value="1"/>	<input type="text" value="11"/>	<input type="text" value="2"/>	<input type="text" value="12"/>
Qualifying patents	<input type="text" value="3"/>	<input type="text" value="13"/>	<input type="text" value="4"/>	<input type="text" value="14"/>
Claims pursuant to section 769R	<input type="text" value="5"/>	<input type="text" value="15"/>	<input type="text" value="6"/>	<input type="text" value="16"/>
Family of Assets	<input type="text" value="7"/>	<input type="text" value="17"/>	<input type="text" value="8"/>	<input type="text" value="18"/>
Other assets	<input type="text" value="9"/>	<input type="text" value="19"/>	<input type="text" value="10"/>	<input type="text" value="100"/>
Indicate the number and value of any asset which is a qualifying asset pursuant to S.769R which is included in a family of assets for the first time during the year		<input type="text" value="0"/>	<input type="text" value="0"/>	<input type="text" value="0"/>

Figure 4: Option to enter the amount of carry back of losses

## OPTION TO INDICATE AN INTERIM CLAIM UNDER SEC. 396D IN PROFITS FROM QUALIFYING ASSETS DETAILS

To comply with the Revenue, we have added the option to indicate the **Interim Claim Sec 396D** under [Profits from Qualifying Assets under Chapter 5 of Part 29 TCA 1997 Details] subsection.

### Interim claim Sec. 396D

- (c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period [Tick box]
- (d) I confirm that the company is tax compliant [Tick box]  
The company is tax compliant if its tax affairs are up to date and there are no returns or payments outstanding

See figure 5:



**Trading Results**

**Carry back of losses**

Relief under Sec.396A(3)TCA 1997 in respect of Qualifying Assets (carry back of losses)

(b) I confirm that the amount entered above is:

(i) An interim claim under Sec 396D for this loss ☐ ☐

The amount entered must be no more than 50% of your estimated relevant trading loss

(ii) The final claim for this loss under Sec 396A(3) ☐ ☐

**Interim claim Sec 396D**

(c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period ☐ ☐

(d) I confirm that the company is tax compliant ☐ ☐

The company is tax compliant if its tax affairs are up to date and there are no returns or payments outstanding

**Number of Qualifying Assets in respect of which the above relief is being claimed**

	Prior Years		New Claims	
	No. of Assets	Value of Assets	No. of Assets	Value of Assets
Computer programs	<input type="text" value="1"/>	<input type="text" value="11"/>	<input type="text" value="2"/>	<input type="text" value="12"/>
Qualifying patents	<input type="text" value="3"/>	<input type="text" value="13"/>	<input type="text" value="4"/>	<input type="text" value="14"/>
Claims pursuant to section 769R	<input type="text" value="5"/>	<input type="text" value="15"/>	<input type="text" value="6"/>	<input type="text" value="16"/>
Family of Assets	<input type="text" value="7"/>	<input type="text" value="17"/>	<input type="text" value="8"/>	<input type="text" value="18"/>
Other assets	<input type="text" value="9"/>	<input type="text" value="19"/>	<input type="text" value="10"/>	<input type="text" value="100"/>
Indicate the number and value of any asset which is a qualifying asset pursuant to S.769R which is included in a family of assets for the first time during the year		No. of Assets <input type="text" value="0"/>	Value of Assets <input type="text" value="0"/>	

Interim Claim Sec 396D under Profits from Qualifying Assets under Chapter 5 of Part 29 TCA 1997 Details

Figure 5: Option to select Interim claim Sec. 396D

## OPTION TO INDICATE TO A CLAIM FOR RELIEF UNDER SECTION 291A

As per the Revenue guidelines, Section 291A TCA 1997 provides the capital allowance against trading income for companies that incur capital expenditure on the provision of intangible assets for trade. This scheme applies to a broad range of intangible assets like patent, copyright, trademarks, know-how etc. which are recognised as such under generally accepted accounting practice.

To comply with the Revenue, we have added the following tax field under **[Excepted Trade Profits (Section 21A TCA 1997) at 25%]** subsection in Relate Corporation Tax Manager for the tax year 2020. The new tax field is as follows:

- Are amounts relating to a claim for relief under Section 291A included below (under trade profits at 12.5%) [Tick box]

See figure 6:

**Figure 6: Option to indicate amounts relating to a claim for relief under Section 291A included below (under trade profits at 12.5%)**

## OPTION TO ENTER THE AMOUNT OF LOSS CLAIMED UNDER SEC. 396(2) UNDER CARRY BACK OF LOSSES

As per the Revenue guideline, Section 396(2) refers to the Trading losses from an exempted trade. A company that incurs a loss in the carrying on of an excepted trade can claim to carry back the loss against profits of the preceding accounting period. The relief is similar to that available for relevant trading losses except that because the loss has a tax value of 25%, it may be offset against total profits of the company in the accounting period in which the loss is incurred or in its preceding accounting period without any value restriction.

Relief under section 396(2) is granted on the making of a claim by the company which incurs the loss within 2 years of the end of the accounting period in which the loss arises

To comply with the Revenue, we have added an option **[Carry back of losses]** under the **Trade Losses** subsection in Relate Corporation Tax Manager for the Tax Year 2020.

The new tax fields are as follows:

### Carry back of losses:

- (a) Loss claimed under Sec. 396(2) TCA 1997 in respect of Excepted Trades (carry back of losses)
- (b) I confirm that the amount entered above is:
  - (i) An Interim claim under Sec 396D for this loss [Tick box]

The amount entered must be no more than 50% of your estimated non-relevant trading loss

- (ii) The final claim for this loss under Sec 396A(2) [Tick box]

See figure 7:

The screenshot shows the 'Trading Results' section of the R001 Demonstration Company Tax Return 2020 software. The 'Trade Losses' section displays the following data:

Description	Amount	Amount
(a) Trading Losses Forward (from earlier accounting period(s)) (Losses on the sale of Residential Development Land prior to 31/12/2008 should be reduced by 20% (Sec. 644C (2)))	€ 241	241
(b) Amount of losses at (a) above utilised in this accounting period	€ 41	41
(c) Amount of losses forward not used in this accounting period available for carry forward to succeeding accounting periods	€ 200	200
Total Losses appropriate to this trade in this accounting period	€ 242	242

The 'Carry back of losses' section is highlighted with a red box. It contains the following options:

- (a) Loss claimed under Sec. 396(2) TCA 1997 in respect of Excepted Trades (carry back of losses): € 0 / 500
- (b) I confirm that the amount entered above is:
  - (i) An interim claim under Sec 396D for this loss: ☐ ☒
  - (ii) The final claim for this loss under Sec 396A(2): ☐ ☐

The 'Interim claim Sec 396D' section is also visible, with options (c) and (d) both marked with tick boxes. A red arrow points to the 'Final claim for this loss under Sec 396A(2)' option.

Figure 7: Enter the amount of losses claimed under Sec. 396(2) in Trade Losses

## OPTION TO INDICATE INTERIM CLAIM UNDER SEC. 396D IN TRADE LOSSES SUBSECTION

As per the Revenue guidelines, Section 396D refers to the accelerated loss concerns the carry back of trading losses incurred in certain accounting periods against profits of an immediately preceding accounting period on an accelerated basis by allowing companies to make interim claims.

To comply with the Revenue, we have added an option for the [Interim claim Sec. 396D] in Relate Corporation Tax Manager for the Tax Year 2020.

### Interim claim Sec. 396D

- (c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period [Tick box]
- (d) I confirm that the company is tax compliant  
The company is tax compliant if its tax affairs are up to date and there are no returns or payments outstanding [Tick box]

See figure 8:

**Trading Results**

(11) the name of the other company

**Trade Losses**

(a) Trading Losses Forward (from earlier accounting period(s)) (Losses on the sale of Residential Development Land prior to 31/12/2008 should be reduced by 20% (Sec. 644C (2)))

(b) Amount of losses at (a) above utilised in this accounting period

(c) Amount of losses forward not used in this accounting period available for carry forward to succeeding accounting periods

Total Losses appropriate to this trade in this accounting period

**Carry back of losses**

(a) Loss claimed under Sec. 396(2) TCA 1997 in respect of Excepted Trades (carry back of losses)

(b) I confirm that the amount entered above is:

(i) An interim claim under Sec 396D for this loss

The amount entered must be no more than 50% of your estimated non-relevant trading loss

(ii) The final claim for this loss under Sec 396A(2)

**Interim claim Sec 396D**

(c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period

(d) I confirm that the company is tax compliant

The company is tax compliant if its tax affairs are up to date and there are no returns or payments outstanding

Option to indicate the Interim claim Sec. 396D under Trade Losses for the Tax Year 2020

Figure 8: Option to indicate interim claim Under Sec. 396D in Trade Losses subsection

## IRISH INVESTMENT AND OTHER INCOME

### OPTION TO ENTER THE AMOUNT UNDER SECTION 835AG(3)(B)

As per the Revenue guideline, Section 835AG set out what is meant by a permanent establishment deduction without inclusion mismatch outcome and provides the rules to neutralise such an outcome. Section 835AG(3)(B) refers to the defensive rule where the mismatch outcome arises where payment is made to a disregarded permanent establishment, where the State is the payee territory.

To comply with the Revenue, we have added a new field in the Relate Corporation Tax manager for the Tax Year 2020 under Hybrid Mismatches is as follows:

- 2(b)(ii)(B) Section 835AG(3)(b)(Where the State is the payee territory, the amount charged to tax @ 33%)

See figure 9:

**Hybrid Mismatches**

	Last Year	Current Year
1 Is an adjustment required under the anti-hybrid provisions of Part 35C	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2 In calculating the company's taxable profits, the mismatch outcome is:		
2(a) Double deduction mismatch outcome neutralised under		
2(a)(i) section 835AD(2)(a)(Where the state is the investor territory)	€ 0	501
2(a)(ii) section 835AD(2)(b)(Where the state is the payer territory)	€ 0	502
2(b) Permanent Establishment deduction without inclusion mismatch outcome neutralised under		
2(b)(i) Section 835AG(3)(a)(Where the state is the payer territory, the amount denied)	€ 0	503
2(b)(ii)(A) Section 835AG(3)(b)(Where the state is the payee territory, the amount charged to tax at 25%)	€ 0	504
<b>2(b)(ii)(B) Section 835AG(3)(b)(Where the State is the payee territory, the amount charged to tax @ 33%)</b>	€ 0	<b>588</b>
2(c) Financial instrument deduction without inclusion mismatch outcome neutralised under		
2(c)(i) Section 835A(2)(a)(Where the State is the payer territory)	€ 0	505
2(c)(ii) Section 835A(2)(b)(Where the state is the payee territory)		
2(c)(ii)(A) Section 835A(2)(b)(i)(i)	€ 0	506
2(c)(ii)(A)(i) Amount	€ 0	507
2(c)(ii)(A)(i) Details of provision dispensed		
2(c)(ii)(B) Section 835A(2)(b)(ii)(ii)(Payment charge to tax)	€ 0	508
2(d) Payment to Hybrid entity deduction without inclusion mismatch outcome		
2(d)(i) Section 835AL(2)(Where the State is the payer territory)	€ 0	509

Figure 9: Tax field to enter the amount charged to tax @ 33% under Hybrid Mismatches

## DEDUCTIONS, RELIEFS AND CREDITS

### OPTION TO ENTER THE TRADING LOSSES CARRIED BACK

To comply with the Revenue, we have added an option for **[Carry back of losses]** to enter the amount Trading Losses Carried Back (Sec. 396B). The following tax field has been added in Relate Corporation Tax Manager for the Tax Year 2020.

#### Carry back of losses:

- (a) Trading Losses Carried Back (Sec. 396B)
- (b) I confirm that the amount entered above is:
  - (i) An interim claim under Sec. 396D for this loss [Tick box]
  - The amount entered must be no more than 50% of your estimated relevant trading loss
  - (ii) The final claim for this loss under Sec 396A(3) [Tick box]

See figure 10:

**Relief on Value Basis (Note: Enter amounts of gross Loss/Charge/Group Relief to be offset)**

	Last Year	Current Year
(a) Trading Losses	€ 0	
(b) If any amount at (a) above refers to Excess Capital allowances enter that amount here	€ 0	0
Trading Charges	€ 0	0
Trading Group Relief	€ 0	0

**Carry back of losses**

(a) Trading Losses Carried Back (Sec.396B) € 0 711

(b) I confirm that the amount entered above is:

(i) An interim claim under Sec 396D for this loss ☐ ☒

The amount entered must be no more than 50% of your estimated relevant trading loss

(ii) The final claim for this loss under Sec 396A(3) ☐ ☐

**Interim claim Sec 396D**

(c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period ☐ ☒

(d) I confirm that the company is tax compliant ☐ ☒

The company is tax compliant if its tax affairs are up to date and there are no returns or payments outstanding

Option to enter the amount of Trading Losses Carried Back (Sec. 396B) and indicate the interim / final claim under Relief on Value Basis (Note: Enter amounts of gross Loss/Charge/Group Relief to be offset) subsection for the Tax Year 2020

Enter below the amount of excess loss, charges and group relief in respect of Qualifying Assets as restricted under Sec.769K(2)(a) and 769K(2)(b)

Figure 10: Options for Carry back of losses under Relief on Value Basis

Note that, you can tick the box either for an interim claim under Sec 396D for this loss or for the final claim for this loss under Sec 396A (3).

## OPTION TO INDICATE THE INTERIM CLAIM UNDER SEC. 396D IN RELIEF ON VALUE BASIS

To comply with the Revenue, we have added the following tick boxes to indicate the interim claim under Sec. 396D and relevant disclosures. The new tax fields are as follows:

- (c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period [Tick box]
  - (d) I confirm that the company is tax compliant [Tick box]
- The company is tax compliant if its tax affairs are up to date and there are no returns or payments outstanding

See figure 11:

**R001 Demonstration Company Tax Return 2020**

**Deductions, Reliefs and Credits**

against certain profits. Alternatively, enter below the gross amounts of losses/charges/group relief you may wish to claim on a value basis.

(a) Trading Losses € 0 0

(b) If any amount at (a) above refers to Excess Capital allowances enter that amount here € 0 0

Trading Charges € 0 0

Trading Group Relief € 0 0

**Carry back of losses**

(a) Trading Losses Carried Back (Sec.396B) € 0 711

(b) I confirm that the amount entered above is:

(i) An interim claim under Sec 396D for this loss ☐ ☒

The amount entered must be no more than 50% of your estimated relevant trading loss

(ii) The final claim for this loss under Sec 396A(3) ☐ ☐

**Interim claim Sec 396D**

(c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period ☐ ☒

(d) I confirm that the company is tax compliant ☐ ☒

The company is tax compliant if its tax affairs are up to date and there are no returns or payments outstanding

Enter below the amount of excess loss, charges and group relief in respect of Qualifying Assets as restricted under Sec.769K(2)(a) and 769K(2)(b)

(a) Trading Loss from a Qualifying Asset € 0 0

(b) If any amount at (a) refers to Excess Capital Allowances, enter that amount here € 0 0

Trading Charges in respect of Qualifying Assets € 0 0

Trading Group Relief in respect of Qualifying Assets € 0 0

Option to indicate the Interim Claim Sec 396 D for Trading Losses Carried Back under Relief on Value Basis subsection for the Tax Year 2020

Figure 11: Option to indicate the Interim Claim Sec 396 D for Trading Losses Carried Back

## OPTION TO ENTER THE TRADING LOSSES IN RESPECT OF QUALIFYING ASSETS CARRIED BACK

To comply with the Revenue, we have added an option for [Carry back of losses] under [Relief on Value Basis (Note: Enter amounts of gross Loss/Charge/Group Relief to be offset)] subsection. The following tax fields have been added in the Relate Corporation Tax Manager for the Tax Year 2020.

The new tax fields are as follows.

### Carry back of losses:

- (a) Trading Losses in respect of Qualifying Assets Carried Back (Sec.396B)
- (b) I confirm that the amount entered above is: [Tick box]
- (i) An interim claim under Sec 396D for this loss
- The amount entered must be no more than 50% of your estimated relevant trading loss
- (ii) The final claim for this loss under Sec 396A(3) [Tick box]

See figure 12:



**Carry back of losses**

(a) Trading Losses in respect of Qualifying Assets Carried Back (Sec.396B)

(b) I confirm that the amount entered above is:

(i) An interim claim under Sec 396D for this loss ☒

The amount entered must be no more than 50% of your estimated relevant trading loss

(ii) The final claim for this loss under Sec 396A(3) ☐

**Interim claim Sec 396D**

(c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period ☒

(d) I confirm that the company is tax compliant ☒  
The company is tax compliant if its tax affairs are up to date and there are no returns or payments outstanding

**Trading Losses in respect of Qualifying Assets Carried Back under Relief on Value Basis subsection for the Tax Year 2020**

	Last Year	Current Year
(a) Total Gross Professional Services withholding Tax on fees included in panel 2 (include any amount already refunded or offset as part of an interim refund claim and also any amount retained under Sec 527 (3)(a))	€ 10,001	1,020
(b) Amount of Professional Services Withholding Tax already refunded or offset as part of an interim claim	€ 21	21
(c) Amount of Professional Services Withholding Tax retained under Sec.527 (3)(a)	€ 31	22
(d) Amount of DWT withheld on distributions received from a REIT	€ 41	23
(e) Other income tax borne on income received (Do not include here any Relevant Contracts Tax suffered)	€ 51	24
(f) If this includes tax borne on exempt profits (as listed in Exempt Profits Panel), tick the box	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Figure 12: Trading Losses in respect of Qualifying Assets Carried Back under Relief on Value Basis

## OPTION TO INDICATE THE INTERIM CLAIM SEC 396D FOR TRADING LOSSES IN RESPECT OF QUALIFYING ASSETS CARRIED BACK (SEC.396B)

To comply with the Revenue, we have added the following tax fields in Relate Corporation Tax Manager for the Tax Year 2020. The new tax fields are as follows.

### Interim claim Sec. 396D

- (c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period [Tick box]
- (d) I confirm that the company is tax compliant [Tick box]  
The company is tax compliant if its tax affairs are up to date and there are no returns or payment outstanding

See figure 13:



**R001 Demonstration Company Tax Return 2020**

Save & Close Home Back Next Calculate Create CT1 CT1

**Desktop**

- Company Details
- Trading Results
- Extract from Accounts
- Irish Rental Income
- Irish Investment and Other Income
- Foreign Income
- Exempt Profits
- Capital Gains
- Chargeable Assets
- Deductions, Reliefs and Credits**
- Research and Development Credit
- Capital Gains (Development Land)
- Close Company Surcharge
- Recovery of Income Tax
- Dividend Withholding Tax
- Property Based Incentive
- CT Self Assessment
- CGT/IT Self Assessment

**Deductions, Reliefs and Credits**

Trading Losses in respect of Qualifying Assets

**Carry back of losses**

(a) Trading Losses in respect of Qualifying Assets Carried Back (Sec.396B) 811

(b) I confirm that the amount entered above is:

(i) An interim claim under Sec 396D for this loss ☐ ☒

The amount entered must be no more than 50% of your estimated relevant trading loss

(ii) The final claim for this loss under Sec 396A(3) ☐ ☐

**Interim claim Sec 396D**

(c) I confirm that the company has incurred, or reasonably expects to incur, a trading loss in the 'next' accounting period ☐ ☒

(d) I confirm that the company is tax compliant ☐ ☒

The company is tax compliant if its tax affairs are up to date and there are no returns or payments outstanding

**Credits**

	Last Year	Current Year
(a) Total Gross Professional Services withholding Tax on fees included in panel 2 (include any amount already refunded or offset as part of an interim refund claim and also any amount retained under Sec 527 (3)(a))	€ 10,001	1,020
(b) Amount of Professional Services Withholding Tax already refunded or offset as part of an interim claim	€ 21	21
(c) Amount of Professional Services Withholding Tax retained under Sec.527 (3)(a)	€ 31	22
(d) Amount of DWT withheld on distributions received from a REIT	€ 41	23
(e) Other income tax borne on income received (Do not include here any Relevant Contracts Tax suffered)	€ 51	24
(f) If this includes tax borne on exempt profits (as listed in Exempt Profits Panel), tick the box <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>		

Option to indicate the Interim claim Sec 396D for Trading Losses in respect of Qualifying Assets Carried Back (Sec.396B) under Relief on Value Basis subsection for the Tax Year 2020

Figure 13: Indicate the Interim claim Sec 396D for Trading Losses in respect of Qualifying Assets Carried Back (Sec.396B)