

Please check your super-deduction claim

Where this letter refers to 'you', this means the company [company name from data file].

Our records show that you made a claim for the super-deduction on plant and machinery costs. This was on your Company Tax Return for the accounting period ended [period ended of tax return from data file].

Your accounting period straddles 1 April 2021, the date when the super-deduction and special rate (SR) first year allowances were introduced. Because of this, we need you to check whether you've claimed the super-deduction correctly.

Super-deduction rules

You can only claim the super-deduction and SR allowance if you bought the plant or machinery on or after 1 April 2021, but before 1 April 2023. The plant and machinery must also be new and unused.

You can't claim the super-deduction if you entered into a contract to buy the plant or machinery before 3 March 2021, even if you paid for it between 1 April 2021 and 1 April 2023.

For example, a company enters into a contract on 15 February 2021 to buy a machine at a cost of £500,000. The company pays a 10% deposit of £50,000 on 15 February 2021. The machine is delivered on 15 April 2021 and the company pays the balance of £450,000.

As the company entered into the contract on 15 February 2021 to buy the machine, none of the spending qualifies for the super-deduction, despite £450,000 being paid on or after 1 April 2021.

Check that your claim meets the super-deduction rules

Please check that you haven't made any super-deduction claims or SR allowances on spending outside the period above.

You can check this online. Go to GOV.UK and search 'check if you can claim super-deduction or special rate first year allowances'. Then choose 'start now' and answer the questions.

If your claim doesn't meet the rules

Please amend your claim and submit your Company Tax Return again by [30 days from date from letter].

We may need to carry out a review of your claim, based on the information we have. If we find that your return is incorrect after our review, we may charge you penalties and late payment interest.

If you can't claim super-deductions, you may be able to claim other capital allowances. Go to GOV.UK and search 'claim capital allowances'.

If you believe your claim meets the rules, you don't need to do anything else.

If you need help

If you need to amend a return online but are having problems, please call us on 0300 200 3410.

If it's too late to make an amendment, you can make a voluntary disclosure using the Digital Disclosure Service.

If you can't pay any tax and interest due in full, you may be able to pay by instalments. For more information, go to GOV.UK and search 'difficulties paying'.

If you have any health or personal circumstances that make it hard for you to deal with us, please tell us. We'll help you in whatever way we can. For more information, go to GOV.UK and search 'get help from HMRC if you need extra support'.

How to contact us

You can call us on 0300 200 3410 between 8am and 6pm, Monday to Friday.

You can email us at XXXXXXXXX. Before you contact us by email, please read the enclosed factsheet 'Corresponding with HMRC by email'. If you're happy to correspond with us by email, please confirm this when you first email us. You also need to provide all the information we ask for in the section 'If you do want to use email'.

If you contact us, please quote your Unique Taxpayer Reference number and give us a daytime phone number. This will help us deal with your query more quickly.

If you've told us that you have an agent, we've sent them a copy of this letter.

Yours faithfully

HM Revenue and Customs