**[HM Revenue & Customs](https://www.gov.uk/government/organisations/hm-revenue-customs)** -**Requirement to Correct tax due on offshore assets**

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This guidance provides information about the new Requirement to Correct (RTC) legislation. It explains what the RTC is and provides information for those who are required to disclose information to HMRC under the new RTCrule before the deadline of 30 September 2018.

Those making a disclosure may need to refer to other guidance on taxes or disclosure routes in order to comply with the RTC rule. Taxpayers, especially those with complex financial arrangements, may wish to seek professional advice on the new rule.

**Part One: the legislation and its application**

**The purpose of the legislation**

The purpose of the RTC legislation is to require those with undeclared offshore tax liabilities (relating to Income Tax, Capital Gains Tax or Inheritance Tax for the relevant periods) to disclose those to HMRC on or before 30 September 2018.

This will allow HMRC to take the appropriate action, for example, the collection of tax, interest and any penalties due under the appropriate legislation currently in force. This will ensure that those with offshore interests pay the correct amount of tax. Where taxpayers are unsure whether they have undeclared offshore tax they will need to review their affairs to check whether action is needed to comply with the RTC.

30 September 2018 was chosen as the final date for corrections as this is the date by which more than 100 countries will exchange data on financial accounts under the Common Reporting Standard (CRS).

CRS data will significantly enhance HMRC’s ability to detect offshore non-compliance and it is in taxpayers’ interests to correct any non-compliance before that data is received.

To ensure there is an incentive for taxpayers to correct any offshore tax non-compliance on or before 30 September 2018 there are increased penalties for any failures to correct by that date.

**The Requirement to Correct (RTC) rule**

This new legal requirement is included at Section 67 and Schedule 18 of the Finance (No. 2) Act 2017 and creates an obligation for anyone who has undeclared UK tax liabilities that involve offshore matters or transfers to disclose the relevant information about this non-compliance to HM Revenue and Customs (HMRC) by 30 September 2018.

Failure to disclose the relevant information to HMRC on or before 30 September 2018 will result in the person becoming liable to a new penalty as a result of their failure to correct (FTC). The new FTC penalty is likely to be much higher than the existing penalties, with a minimum penalty of 100% of the tax involved.

To avoid becoming liable to these new higher penalties, a person must correct the position by no later than 30 September 2018. If they do this, the tax and interest will be collected and the existing penalty rules will apply.

If taxpayers are unsure whether they have undeclared UK tax liabilities that involve offshore matters or transfers, they should check their affairs and if necessary put things right before they become liable to the new FTC penalties that will come into force on 1 October 2018.

**The scope of the RTC rule**

The RTC rule relates to liabilities to Income Tax, Capital Gains Tax and Inheritance Tax involving offshore matters or transfers. It tackles offshore tax non-compliance.

Only tax non-compliance committed before 6 April 2017 falls within the RTC(see the sections on timing and time limits below for more detail).

For tax non-compliance to be within scope of the RTC rule, HMRC must have been able to make an assessment to recover the Income Tax or Capital Gains Tax in question on 6 April 2017 or make a determination to recover the Inheritance Tax in question on the day after Royal Assent is received for the new provisions.

There are a small number of exceptions to these rules.

If you have other [undeclared income](https://www.gov.uk/undeclared-income) not directly covered by the RTC rule to disclose to HMRC, you should do so as soon as possible as this will help to reduce any penalties that HMRC charge.

**Offshore non-compliance**

Offshore non-compliance occurs when there is tax owed to HMRC as a result of tax non-compliance and that non-compliance involves either an offshore matter or an offshore transfer.

The tax non-compliance involves an offshore matter if the unpaid tax is charged on or by reference to:

* income arising from a source in a territory outside the UK
* assets situated in a territory outside the UK
* activities carried on wholly or mainly in a territory outside the UK or
* anything having effect as if it were income, assets or activities of a kind described above

The tax non-compliance involves an offshore transfer if it is not an offshore matter, but the income (or sale proceeds in the case of a capital gain), or any part of the income, was either received abroad or was transferred abroad before 6 April 2017.

For inheritance tax, the tax non-compliance involves an offshore transfer if it is not an offshore matter, but the disposition that gives rise to the transfer of value involves a transfer of assets, and after that disposition, but on or before 5 April 2017, the assets, or any part of the assets, are transferred to a territory outside the UK.

In all cases, references to the income, proceeds or assets transferred includes any assets derived from or representing the income, proceeds or assets.

If the non-compliance meets these definitions, the RTC rule applies and failure to correct the position will result in the new tougher FTC penalties.

All examples in this guidance assume that there is an offshore matter or transfer involved unless otherwise stated.

**Non-compliance for the purposes of the RTC**

The legislation refers to offshore tax non-compliance and this means any of the following:

(a) a failure to comply with an [obligation to give notice of chargeability](https://www.gov.uk/hmrc-internal-manuals/compliance-handbook/ch70100) to Income Tax or Capital Gains Tax (under section 7 TMA 1970)

(b) a failure to comply with an [obligation to deliver to HMRC](https://www.gov.uk/hmrc-internal-manuals/inheritance-tax-manual/ihtm36021) a return or certain other documents - there are different [rules relating to Inheritance Tax](https://www.gov.uk/hmrc-internal-manuals/inheritance-tax-manual/ihtm36021)

(c) delivering to HMRC a [return or other specified document that contains an inaccuracy](https://www.gov.uk/hmrc-internal-manuals/compliance-handbook/ch81001) - The inaccuracy must amount to or lead to an understatement of a liability to tax or a false or inflated statement of a loss or a false or inflated claim to repayment of tax

A full list of the documents that are covered by (b) and (c) above are at paragraphs 8 (3) and (4) of Schedule 18 of the Finance (No. 2) Act 2017.

**The timing of non-compliance for the purposes of the RTC**

The RTC only applies if the non-compliance was committed before 6 April 2017. When non-compliance was committed depends on the nature of the failure or inaccuracy.

Failing to notify chargeability occurred before 6 April 2017 if the notification should have been made on or before 5 April 2017. A person who has not been issued with a return by HMRC is obliged to notify HMRC if they have a liability to Income Tax or Capital Gains Tax. This notification should be made no later than 5 October after the end of the relevant tax year.

Anyone who has failed to notify chargeability involving offshore matters or transfers for any year up to and including 2015 to 2016 will have failed to do so on or before 5 April 2017. They’re required to correct the position on or before 30 September 2018.

Failing to make a return takes place the day after the final day on which the return should have been delivered to HMRC.

**Time limits governing whether HMRC can make an assessment to recover tax on 6 April 2017**

The RTC only applies if HMRC is able to raise an assessment to recover the unpaid tax on 6 April 2017. Normal assessing rules apply to decide whether HMRC is able to raise an assessment on 6 April 2017.

A full list of these [time limits for Income Tax](https://www.gov.uk/hmrc-internal-manuals/compliance-handbook/ch56100) and Capital Gains Tax and [time limits for Inheritance Tax](https://www.gov.uk/hmrc-internal-manuals/compliance-handbook/ch56800) are available in HMRC’s Compliance Handbook, but the most relevant time limits are:

| **Type of assessment** | **Last date for making the assessment** |
| --- | --- |
| Assessment where the loss of tax is not due to careless or deliberate behaviour | 4 years from the end of the tax year of assessment in which the tax loss arises |
| Assessment where the loss of tax is due to careless behaviour | 6 years from the end of the tax year of assessment in which the tax loss arises |
| Assessment where the loss of tax is due to deliberate behaviour | 20 years from the end of the tax year of assessment in which the tax loss arises |

If there is a failure to notify chargeability the [time limits are different](https://www.gov.uk/hmrc-internal-manuals/compliance-handbook/ch56100). Special rules also apply [when a person dies](https://www.gov.uk/hmrc-internal-manuals/compliance-handbook/ch54200).

**Exceptions to the criteria above**

The RTC rule applies only if one of the [failures or inaccuracies](https://www.gov.uk/guidance/requirement-to-correct-tax-due-on-offshore-assets#non-compliance) has occurred. It does not apply to any other failure.

For example, a penalty can be charged if you [fail to notify HMRC of an underassessment to tax](https://www.gov.uk/undeclared-income). A person who has offshore non-compliance as a consequence of such a failure should still contact HMRC to put matters right. Any such corrections will be subject to the existing penalty regime and not to the tougher FTC penalties.

Companies normally pay Corporation Tax instead of Capital Gains Tax. However, there are circumstances in which a company might be liable to Capital Gains Tax.

The RTC rule does not apply to non-resident Capital Gains Tax payable by companies but does apply if a company is otherwise liable to Capital Gains Tax. A company may also be liable to Capital Gains Tax if the chargeable gain accrues to the [company in a fiduciary or representative capacity](https://www.gov.uk/hmrc-internal-manuals/capital-gains-manual/cg40320).

The RTC does not apply to any tax non-compliance to the extent that it has already been put right.

**Penalties and other sanctions for not correcting on or before 30 September 2018**

If you fail to correct on or before 30 September 2018, you will be liable to the new, tougher FTC penalties. There are a number of elements to these penalties:

**Standard Penalty**

In all cases where a penalty applies, there will be a standard penalty equivalent to 200% of the tax liability which should have been disclosed to HMRC under the RTC but was not. This penalty can be reduced to reflect any combination of the following factors:

* your level of co-operation with HMRC
* the quality of your disclosure to HMRC (including telling HMRC of anyone who helped enable your non-compliance)
* the seriousness of your failure to correct

The reduction will take account of whether you came forward voluntarily to tell HMRC of your failure but the reduction cannot reduce the penalty to less than 100% of the tax involved.

Further guidance on how the penalty reduction will work in practice will be published before 30 September 2018.

**Asset Based Penalty**

In the most serious cases, where the tax involved exceeds £25,000 in any tax year, and you knew you had relevant offshore non-compliance and didn’t correct it the asset based penalty at Schedule 22 to Finance Act 2016 will apply.

This means [a penalty of up to 10% of the value of assets](https://www.gov.uk/hmrc-internal-manuals/compliance-handbook/ch122000) connected to the failure will be charged. This is in addition to the standard penalty detailed above.

**Offshore Asset Moves Penalty**

Schedule 21 to Finance Act 2015 introduced a new enhanced penalty for cases where it can be shown that you moved assets to avoid having details reported to HMRC under international agreements on exchange of information.

The penalty is equivalent to 50% of the amount of the standard penalty and is charged in addition to the standard penalty. This [enhanced penalty provision](https://www.gov.uk/hmrc-internal-manuals/compliance-handbook/ch119100)applies to the RTC rule and will be equivalent to 50% of the FTC penalty.

In more serious cases and in addition to the penalties detailed above, if more than £25,000 tax per investigation is involved and you knew you had relevant offshore non-compliance and didn’t correct it, HMRC may publish your details.

The detailed rules are similar to those at section 94 of Finance Act 2009 [(Publishing Details of Deliberate Tax Defaulters)](https://www.gov.uk/government/publications/publishing-details-of-deliberate-tax-defaulters-pddd).

Full details on how these sanctions will be applied will be published before 30 September 2018.

**Extension of period for assessment of offshore tax**

The RTC legislation allows for a longer period for HMRC to take action to recover any tax that is subject to the RTC rule.

This means that for any offshore tax that HMRC could have assessed on 6 April 2017, we will continue to be able to assess that tax until the later of 5 April 2021 or the date on which an assessment can be raised using the normal rules.

The new time limits for all of the tax years involved are set out in the table below:

| **Tax year** | **Final date for raising assessment** | **Explanation** |
| --- | --- | --- |
| 2008 to 2009 | 5 April 2015 (6 years after 5 April 2009) | HMRC unable to assess on 6 April 2017, therefore outside the scope of the RTC |
| 2009 to 2010 | 5 April 2016 (6 years after 5 April 2010) | HMRC unable to assess on 6 April 2017, therefore outside the scope of the RTC |
| 2010 to 2011 | 5 April 2017 (6 years after 5 April 2011) | HMRC unable to assess on 6 April 2017, therefore outside the scope of the RTC |
| 2011 to 2012 | 5 April 2018 (6 years after 5 April 2012) | HMRC able to assess on 6 April 2017, therefore within the scope of the RTC and time limit extended to 5 April 2021 |
| 2012 to 2013 | 5 April 2019 (6 years after 5 April 2013) | HMRC able to assess on 6 April 2017, therefore within the scope of the RTC and time limit extended to 5 April 2021 |
| 2013 to 2014 | 5 April 2020 (6 years after 5 April 2014) | HMRC able to assess on 6 April 2017, therefore within the scope of the RTC and time limit extended to 5 April 2021 |
| 2014 to 2015 | 5 April 2021 (6 years after 5 April 2015) | Inside scope of RTC but no need to extend time limit |
| 2015 to 2016 | 5 April 2022 (6 years after 5 April 2016) | Inside scope of RTC but no need to extend time limit |

HMRC can therefore still raise assessments for all of the tax years that were subject to the RTC and impose FTC penalties.

**Reasonable excuses**

The penalties will be chargeable if you fail to correct, unless you can demonstrate you had a ‘reasonable excuse’ for not meeting your obligation.

If you fail to make a correction but have a reasonable excuse for not doing so, you will not face an FTC penalty but will still have to pay any tax that is owed along with interest.

You may still face a penalty under the existing rules for the original non-compliance that was not corrected.

HMRC will follow existing models and established principles from case law that provide guidance on the application of a reasonable excuse provision as the basis for its application to the RTC.

The RTC legislation specifically states circumstances that cannot be taken to be a reasonable excuse:

* an insufficiency of funds is not a reasonable excuse, unless attributable to events outside your control
* where you relied on any other person to do anything, that cannot be a reasonable excuse unless you took reasonable care to avoid the failure
* where you had a reasonable excuse but the excuse has ceased, you are only to be treated as continuing to have the excuse if the failure is remedied without unreasonable delay after the excuse ceased
* relying on advice in certain circumstances

**Part Two: the RTC in practice - what to consider**

**The scope of the RTC**

Anyone who owns or has an interest in assets held offshore or has had a source of income that is offshore, or has moved income or the proceeds of capital gains offshore is potentially affected.

If you are in that position you should check that you have declared all tax liabilities that arise as a result of these assets and if you find that you have unpaid tax liabilities you should come forward and correct them as soon as possible and in any case no later than 30 September 2018.

Examples of assets include:

* art and antiques
* bank and other savings accounts
* boats
* cash
* debts owed to you
* gold and silver articles
* government securities
* jewellery
* land and buildings, including holiday timeshare
* life assurance policies and pensions
* other accounts, such as stockbroker’s or solicitors’
* other bond deposits and loans
* rights or intellectual property
* stocks and shares
* trusts
* vehicles

**RTC rule for those who are uncertain regarding their position with respect to offshore investments**

If you have any doubt, you should review your UK tax affairs so that you can make any necessary correction by 30 September 2018.

The RTC provides a window of opportunity for you to correct any issues you have with your offshore interests and you should take this opportunity to review your position to satisfy yourself you are fully compliant.

If you do not take this opportunity, HMRC will be using the information provided under the Automatic Exchange of Information (AEOI) agreements to identify non-compliance involving offshore matters or transfers and when you are caught you will face the higher FTC penalties, and you could also face criminal sanctions.

**Deciding the right period to review for your offshore affairs**

You only need to make a correction if HMRC can raise an assessment to recover the relevant tax on 6 April 2017.

The period you need to review will therefore depend on whether any non-compliance is as a result of deliberate behaviour, careless behaviour or whether you took reasonable care to get your tax affairs right.

It will also depend on whether your non-compliance is as a result of you failing to notify your chargeability to tax. You should refer to the section above on [time limits](https://www.gov.uk/guidance/requirement-to-correct-tax-due-on-offshore-assets#time-limits) to decide the period you need to review.

**Relying on professional advice**

HMRC recognise that there are circumstances when a person takes advice in good faith but then has tax non-compliance that should be corrected because the advice was wrong.

The RTC contains specific rules governing when you cannot claim to have a reasonable excuse because you relied on advice that turned out to be wrong.

In some circumstances, if you relied upon advice to complete tax returns and similar you may have a reasonable excuse so you will not be liable to a FTCpenalty for not correcting the position on or before 30 September 2018.

However, the RTC rules specify you cannot rely on advice as providing a reasonable excuse in certain circumstances:

* if the advice is given by an interested person, or as a result of arrangements made between an interested person and the person giving the advice
* if the person giving the advice did not have the appropriate expertise
* where the advice failed to take account of all your relevant circumstances or
* if the advice was addressed to, or was given to, a person other than you

Advice that cannot be relied on because of these rules is referred to as disqualified. These circumstances are explored more fully in the following paragraphs and examples.

You can claim to have a reasonable excuse if you have relied on and followed advice that is not disqualified and it does not matter whether this advice was given when the original non-compliance took place or as part of a review when considering whether a correction needs to be made.

**Definition of an interested person**

An interested person is someone who either participated in relevant avoidance arrangements or who received consideration for facilitating your entry into the relevant avoidance arrangements. It is important to note that the interested person concept only applies to advice relating to avoidance arrangements.

For these purposes, avoidance arrangements are any arrangements where in all the circumstances it would be reasonable to conclude that the main purpose, or one of the main purposes, of the arrangements is the obtaining of a tax advantage.

Advice from an interested person that accords with established practice that HMRC had indicated its acceptance of will not be disqualified as the legislation specifically states that in these circumstances they are not avoidance arrangements.

**Further advice from the same adviser**

The legislation makes it clear that advice given to the taxpayer as a result of arrangements made between an interested person and the person who gave the advice is disqualified.

You should therefore take care when seeking further advice to ensure it is not disqualified on this basis.

**The appropriate level of expertise for advisers**

Whether a person has the appropriate expertise to give advice will vary depending on the precise circumstances involved.

HMRC will accept that anyone who is a member of a UK-recognised legal, accountancy or tax advisory body will have the appropriate expertise to give advice on UK tax matters.

**Advice needs to take account of all of the taxpayer’s relevant circumstances**

You can only claim that you have a reasonable excuse for not making a correction because you relied on advice if the advice that you are relying on takes account of all your relevant individual circumstances. This means that the adviser must have been given full and accurate details of all matters that are relevant to the issue.

Care should be taken if you have relied on advice that was given before the transactions took place. Such advice runs the risk of failing to take account of all of your relevant circumstances.

If you rely on advice that was given before the transactions took place and the transactions then took place in a slightly different way and that slight difference means tax is due, it will be HMRC’s position that the advice failed to take account of all of your relevant circumstances.

Whether advice takes account of all your relevant individual circumstances is a continuing requirement. For example, if advice that takes account of all your circumstances was taken in 2011, it is reasonable for you to be able to rely on that advice when completing your next tax return.

However, as time passes it is increasingly likely that your circumstances, or the legislation that the advice is based on, will have changed and the advice may no longer be correct.

If you rely on advice that, whilst originally accurate, becomes wrong because of a change in your circumstances or a change in the legislation you cannot claim to have a reasonable excuse based on the advice that has become out of date.

For this reason, if you are relying on old advice, you should check your position carefully before deciding whether or not a correction is needed.

**Ways of making a correction under the RTC rule**

You can correct any offshore tax non-compliance on or before 30 September 2018 in a number of ways:

Regardless of the nature of the non-compliance you can correct by:

* using HMRC’s [digital disclosure service](https://www.gov.uk/government/publications/hm-revenue-and-customs-disclosure-service) as part of the [Worldwide Disclosure Facility](https://www.gov.uk/guidance/worldwide-disclosure-facility-make-a-disclosure) or any other service provided by HMRC as a means of correcting tax non-compliance
* telling an officer of HMRC in the course of an enquiry into your affairs or
* any other method agreed with HMRC

Depending on the nature of your [non-compliance](https://www.gov.uk/guidance/requirement-to-correct-tax-due-on-offshore-assets#non-compliance) the following methods can also be used if your non-compliance involves:

* a failure to comply with an obligation to give notice of chargeability to Income Tax or Capital Gains Tax (under section 7 TMA 1970), you can correct by giving the requisite notice to HMRC and also giving HMRC the information that enables or assists it to calculate the offshore tax due
* a failure to comply with an obligation to deliver to HMRC a return or certain other documents, you can correct by making or delivering the requisite return or document so that HMRC has the information that enables or assists it to calculate the offshore tax due
* delivering to HMRC a return or other specified document that contains an inaccuracy (and the window for correction remains open) you can correct by amending the return or document or delivering a new return or document so that HMRC has the information that enables or assists it to calculate the offshore tax due

In summary, you must supply HMRC with the information it needs to be able to calculate the tax due as a result of your non-compliance. You must supply this information on or before 30 September 2018.

You cannot make a correction under the RTC by including information in a tax return for any tax year other than the tax year that the non-compliance relates to.

**Professional advice which leaves you uncertain about making a disclosure**

If after taking advice, you are unsure as to whether you need to make a correction, you have a number of options.

If the advice you have received is disqualified advice (see guidance above), you could take further advice from a person with appropriate expertise but who was not involved in facilitating your avoidance arrangements.

Provided the further advice you receive takes account of all your relevant circumstances and you follow the advice you will have a reasonable excuse if it is later found that you should have made a correction.

If the advice you have received is that no further tax is due, but the matter is not clear cut, you can use the internet to provide HMRC with the relevant information without accepting that you have unpaid liabilities.

To do this you should register to make an offshore disclosure via [HMRC’s digital disclosure service](https://www.gov.uk/government/publications/hm-revenue-and-customs-disclosure-service). Once you have done this you will be sent a Disclosure Reference Number (DRN).

The DRN will consist of the letters ‘WDF’ followed by a series of numbers. When you receive your DRN you should then complete the disclosure process on the digital disclosure service showing that you owe no tax.

At the same time as you submit your disclosure via the digital disclosure service you should send a report that contains all of the relevant information to [ocu.hmrc@hmrc.gsi.gov.uk](mailto:ocu.hmrc@hmrc.gsi.gov.uk).

Your email must include your DRN and the words ‘Requirement to Correct’ in the subject heading.

Provided you give HMRC all the relevant information about the matter you will have made a correction under the RTC even if you do not agree that additional tax is due. As you have made a correction no FTC penalty can be due.

HMRC will then consider the information you have provided to decide whether or not they agree that no tax is due. What HMRC will accept as all the relevant information in these circumstances is covered in the next section.

**Information you must supply when making a disclosure that no tax is due**

HMRC can see no reason for you to make a disclosure that no tax is due except where you have doubt about whether tax is correctly due.

When making such a disclosure you should therefore set out a full explanation of why you have doubt about whether tax is due and set out all of the relevant facts that you took into account in deciding that no tax is due.

You should also provide an indication of the amount of income, gains and similar that you think are not liable to tax as a result of your decision.

If you do this, provided the information you supply is accurate, the penalties for a Failure to Correct will not be due if it later transpires that additional tax is due as a result of the issue you have told us about (other existing penalties may apply).

HMRC will acknowledge the information has been supplied but the offer to pay no tax will not be formally accepted. HMRC will only contact you for further information if they are concerned that your conclusion is incorrect.

**What to expect after making a disclosure under the RTC**

If you make your correction during the course of an enquiry, the caseworker will discuss any concerns they have as part of that enquiry.

If you make your correction in any other way (for example by amending a tax return that you have submitted or by using the digital disclosure service) HMRC will review the information you have supplied in line with its normal processes and may decide to ask you for further information to clarify the position. When you make a correction it will be necessary to consider whether a penalty is also due.

If you make your disclosure using the digital disclosure service you will be able to self-assess your penalty as part of that process. If you use any other method, HMRC will probably need to contact you to obtain information required to establish the correct level of penalties due.

HMRC recommends that you use the digital disclosure service and we expect the majority of disclosures made via this route to be accepted without an in depth enquiry. But, if we can’t accept your disclosure we will write to you for further information or explanations as provided for in existing legislation.

HMRC reserves complete discretion to conduct a criminal investigation in relation to your disclosure, whether it appears to be complete or incomplete. However, when considering whether a case should be subject of a criminal investigation, one factor will be whether you have made a complete and unprompted disclosure of the offences committed.

If a disclosure leads to a criminal investigation then the HMRC [criminal investigation policy](https://www.gov.uk/government/publications/criminal-investigation/hmrc-criminal-investigation-policy) will apply. If a disclosure under the RTC results in a criminal trial then the original RTC disclosure may be adduced in evidence.

**Onshore and offshore income**

The obligation under the RTC only applies to liabilities to Income Tax, Capital Gains Tax and Inheritance Tax which result because of non-compliance that involve offshore matters or transfers.

However when you make a disclosure under the RTC you should, at the same time, make a full disclosure of all irregularities whether they relate to offshore matters or transfers or to UK income and gains. If you do this you will have to pay the outstanding tax plus any interest and penalty that is due.

If you come forward voluntarily to disclose the liabilities and then fully co-operate with any subsequent enquiry your disclosure will be treated as unprompted and you will be subject to lower penalties than if we have to contact you or if you do not co-operate fully.

HMRC will consider all disclosures it receives and may enquire into any disclosure if it wants more information or suspects that it is incomplete. If any such enquiries establish further liabilities that have not been disclosed, whether they be offshore liabilities or not, you will almost certainly face paying higher penalties than if you had disclosed them at the outset.