



TAXbite – filing a company tax return, what is iXBRL?

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Filing a corporation tax return

- Online filing for all corporation tax (CT) returns and electronic payment of corporation tax
 - CT600 corporate return
 - Computations*
 - Accounts*
- Filing of * must use the 'inline extensible business reporting language' (iXBRL)
- For accounting periods ending after 31 March 2010, where the return is delivered after 31 March 2011

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Which companies?

- All companies, associations and clubs which must file CT returns are affected
- However, unincorporated bodies such as clubs, associations and some charities may attach accounts as a PDF
 - (Although they must still use iXBRL for their tax computations)
- Charities
 - If a charity receives a Notice to File, it must complete and submit a tax return

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What is iXBRL?

Start with HTML – look at a web page

“.....rules in the longer term, albeit that change would have to be made in line with any negotiated trade deals on other duties and taxes.

VAT rates rules and the partial exemption - background

VAT registered businesses charge VAT on the sales they make (or supplies as they are more widely described for VAT)

Right click ‘view source’ and you will see:

<p>VAT rates rules and the partial exemption - background</p>

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What about XML?

- Like HTML but a bit cleverer
- A browser knows (from a *Stylesheet*) how to display it
- Other programs can process it too
- It's all about **tagging**

<name>Mr John Smith</name>

<addr1>23 Acacia Avenue</addr1>

<addr2>Birmingham</addr2>

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Tagging



- What does each tag mean?
- Is it <addr1> or <address firstline>?
- Will the code MIA send your bag to Miami International (USA) or Mian Yang (China)?

So, every tagging language needs a dictionary

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All sorts of tagging languages

- **ebXML**: 'ebXML enables enterprises of any size, in any global region, to conduct business using the Internet'
- **CML**: '**CML** (**C**hemical **M**arkup **L**anguage) is an approach to managing molecular information ...'
- **ThML**: ... and there's even one for Theology!
 - Tagging makes it easier to share data between users without manual re-keying
 - ...and for computers to extract and process data

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... and now XBRL

- **eXtensible Business Reporting Language**
- Freely licensed standard, originated in accountancy profession
- It is XML – and cleverer still
- As well as tagging data items
 - it can show relationships
 - ... and how they have been calculated
 - Uses a *taxonomy*

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What's a taxonomy?

- An XBRL taxonomy is like a 'dictionary'
- Examples: 'net profit', 'assets', 'equity'
- For the accounts, in XBRL taxonomies relate back to financial reporting standards
- Needed also for Corporation Tax computation

– Eg	ct-comp:CompanyName
	ct-comp:TaxReference
	ct-comp:PeriodOfAccountStartDate
	ct-comp:PeriodOfAccountEndDate

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Taxonomies currently used for filing to HMRC and Companies House

- Like a dictionary
- FRC accounts taxonomy for the accounts
- Computational taxonomy - this taxonomy must be used to tag the tax comps submitted as part of the company return

– Eg	ct-comp:CompanyName
	ct-comp:TaxReference
	ct-comp:PeriodOfAccountStartDate
	ct-comp:PeriodOfAccountEndDate

- Detailed P&L Taxonomy - this taxonomy must be used to tag a detailed profit and loss statement that has been submitted as part of the company return

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... and then there's iXBRL

- Inline XBRL
- HTML and XBRL in the same document

Humans read the HTML



Computers read the XBRL tags



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What is available?

- HMRC's free online filing service CATO (Company Accounts and Tax Online) Accounts preparation software
 - Not available to agents
- Commercial accounts preparation software
- Word and excel converters
 - Drag and drop tags
 - Suggest using a template
- Outsource

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Sources of help

- Your software provider
- HMRC website
 - Accounting software www.gov.uk/company-filing-software/filing-annual-accounts-returns-and-tax-accounts
 - Guidance www.gov.uk/government/publications/xbrl-guide-for-uk-businesses/xbrl-guide-for-uk-businesses
- Agent account manager
- Tax Faculty referral scheme

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Thank you for listening

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