



CTF Bulletin 63

29 March 2012

This Bulletin tells you about

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- Changes to April's Filing Period
- Annual Information Return for Tax Year 5 April 2012
- Reminder for Fortnightly Nil Returns & Nil Schedules
- Customer Contact Online Services
- Connected accounts

You should address any enquiries about this bulletin to savings.audit@hmrc.gsi.gov.uk.

Please ensure the appropriate people in your organisation read this bulletin.

The HMRC website address is www.hmrc.gov.uk and there are pages for [CTF providers](#).

Adoptive Parent Applying To Become Registered Contact

We have recently become aware of a number of instances where the Official Solicitor has been the registered contact for an account and providers have allowed an adoptive parent to take on the role without referring the customer to the Official Solicitor. We will shortly be revising paragraph 5.6.2 of the CTF Guidance Notes to make it clear that where the Official Solicitor is the registered contact, adoptive parents wanting to take on the registered contact role should be referred to the Official Solicitor (in accordance with the guidance at paragraph 5.6.7). This allows the Official Solicitor to close their records in an orderly manner.

We will also clarify paragraph 5.6.3 of the guidance to make it clear that providers should satisfy themselves – by sight of suitable documentation or other evidence – where the registered contact applicant claims to have adopted the child.

Changes to April's Filing Period

Due to a need for maintenance and preparation for the end/start of the financial year, certain HMRC systems will not be available for a short period of time from 21:00 hrs on Thursday 5 April 2012 to 06:00 hrs on Wednesday 11 April 2012. This will affect providers' ability to submit their fortnightly returns, download their schedules and the issuing of any payments by HMRC.

To minimise disruption we suggest that providers should submit their fortnightly return for period ending 31 March 2012 before the 21:00 hrs deadline. Returns filed on the 12 April 2012 will be considered late.

Annual Information Return for Tax Year 5 April 2012

Your annual return for tax year ending 5 April 2012 must reach us by 4 June 2012.

You can find information on how to complete the return in Chapter 13 of the Guidance Notes for CTF Providers. This is available on our website at <http://www.hmrc.gov.uk/ctf/ctfguidancenotes.pdf>.

If you do not submit your return by 4 June 2012, we will not be able to accept any claims for repayment from you, until you submit this return. You may have to pay a penalty if your return is late.

If you use a third party administrator to make this CTF return on your behalf, it would be advisable to bring this bulletin to their attention.

Please remember to put the correct period end date of 05/04/2012 on your return.

Reminder for Fortnightly Nil Returns and Nil Schedules

The orderly wind down of CTF will inevitably mean that there will be occasions when no entries are made on the fortnightly return.

If there are no entries on the return you must send it uncompressed. Attempts to file a compressed 'Nil' return will be rejected.

Similarly, a reduction in instructions from HMRC will result in more 'Nil' schedules being sent to providers uncompressed.

Please ensure your CTF software is able to send compressed and uncompressed returns and download compressed and uncompressed schedules.

Customer Contact Online Services

Providers experiencing difficulties submitting their annual or fortnightly returns, or downloading their schedules should contact the Customer Contact Online Service Team and ask for:-

- Sean Duffey 01274 646198

Connected Accounts

The Child Trust Fund and ISA (including Junior ISA) rules prohibit links between these accounts and other cash saving products. This prevents the manipulation of interest between accounts to maximise tax-free returns. We will shortly be publishing draft regulations which will relax this rule where the linked accounts both enjoy a tax free wrapper. This will allow providers to offer more favourable interest rates where a CTF, ISA or Junior ISA account is linked with another tax-free account. The regulations will have retrospective effect back to the launch of Junior ISA (1 November 2011).