
Corporation Tax User Guide

Statutory accounts, the Corporation Tax computation and the CT600 — prepared, reviewed and filed to HMRC and Companies House.

Contents

01 Corporation Tax: getting started

Enable the service, link Companies House, add your UTR and create your first accounting period.

02 Getting your numbers in: the trial balance

Import from Xero, QuickBooks or a spreadsheet, or key the trial balance by hand - then make sure it balances.

03 Building the Corporation Tax computation

Work through the calculation sections - disallowables, adjustments, donations and non-trade income - and watch the payable figure update live.

04 Capital allowances: pools, additions and the AIA

Disallow depreciation, record your asset additions, and claim the Annual Investment Allowance.

05 Depreciation in your trial balance: how it reaches the Corporation Tax computation

Depreciation in the accounts is not deductible for Corporation Tax. How to add it back in Tax Optimiser, record your fixed assets so capital allowances replace it, and reverse profits or losses on disposal.

06 Trading losses: carry forward and carry back

Read the loss movement, record brought-forward and carried-back losses (pre- and post-2017), and let the carried-forward balance calculate itself.

07 UK property income and losses (boxes 190 and 250)

Mark rental income and letting costs as UK property in the P & L, and Tax Optimiser reports the property business in boxes 190, 805 and 250 - separately from the trade.

08 Reviewing the computation, accounts and CT600

Read the cross-referenced computation, finish the statutory accounts, and clear the validation checks.

09 Submitting to HMRC and Companies House

Sign the accounts, clear the pre-flight checks, and file to HMRC and Companies House through the guided wizards.

Corporation Tax: getting started

Enable the service, link Companies House, add your UTR and create your first accounting period.

IN SHORT

- Everything files from one place: statutory accounts, CT computation and CT600
- Companies House search fills in company details automatically
- The UTR is validated with HMRC's own check-digit rules
- The due date defaults to nine months after year end
- The period Overview checklist tracks every remaining step

Tax Optimiser prepares and files your company's year-end package in one place: statutory accounts (FRS 105 or FRS 102 1A), the Corporation Tax computation, and the CT600 return – filed directly to HMRC and Companies House. This guide walks the whole journey; this first article gets your company set up and your first accounting period created.

Enable the Accounts & Corporation Tax service

From your dashboard, find the **Accounts & Corporation Tax** card under *Your tax services* and click **Enable Accounts**. The card switches to *Setting up* and shows a short checklist – you can follow it from the dashboard, or use the **End of Year Wizard** which walks the same steps in a guided flow.

The screenshot shows the Tax Optimiser dashboard for 'Alex Example' (Example Trading Ltd). The dashboard is divided into three main sections: Workspace, Tax Services, and System. The 'Tax Services' section is currently active, showing a 'Good morning, Alex.' greeting and a summary of active services and mid-setup. Below this, there are three cards for different tax services: VAT, Accounts & Corporation Tax, and MTD for ITSA. The 'Accounts & Corporation Tax' card is highlighted, showing a progress bar for '1 of 2 steps complete' (50%) and a checklist of tasks to be completed. The 'VAT' and 'MTD for ITSA' cards are marked as 'NOT ENABLED'. The 'Accounts & Corporation Tax' card also features a 'Start End of Year Wizard' button and a 'View periods' button. The 'VAT' card has an 'Enable VAT' button and a 'Learn more' button. The 'MTD for ITSA' card has an 'Enable ITSA' button and a 'User guide' button. The dashboard also includes a 'Next up' section with a 'Finish setting up Accounts & Corporation Tax' card, indicating '1 steps left' and a 'Start End of Year Wizard' button. At the bottom, there is a section for 'Upcoming deadlines'.

Link your company to Companies House

The wizard first asks for your company. Start typing the name and pick your company from the live Companies House search — the registered name, company number, registered office, incorporation date and filing deadlines are pulled in automatically, and your accounting period dates are suggested from your Companies House accounting reference date.

The screenshot shows the Tax Optimiser web application. The top navigation bar includes the 'taxoptimiser' logo, a 'Switch Organisations' button, and a user profile for 'Alex Example'. The left sidebar menu is divided into three sections: 'WORKSPACE' with 'Dashboard' and 'Organisation'; 'TAX SERVICES' with 'Accounts and Corp Tax', 'MTD ITSA', and 'VAT'; and 'SYSTEM' with 'Settings', 'Help Centre', and 'Logout'. The main content area displays a wizard titled 'Let's find your company on Companies House' with a sub-instruction: 'Start typing your company name — we'll pull everything else from Companies House.' Below this is a search input field labeled 'Search Companies House'.

Add your Corporation Tax UTR

Go to **Organisation** → **Tax & VAT** and enter your 10-digit **Corporation Tax UTR** (the Unique Taxpayer Reference HMRC issued when the company was incorporated — it's on the CT603 notice and most HMRC letters). The UTR is validated against HMRC's check-digit rules as you save, so a typo is caught immediately rather than when you try to file. The Government Gateway credentials on the same tab are only needed when you come to submit.

The screenshot displays the Tax Optimiser interface. The top navigation bar includes the 'taxoptimiser' logo, a 'Switch Organisations' button, and a user profile for 'Alex Example'. The left sidebar contains a 'Workspace' section with 'Dashboard' and 'Organisation' links, and a 'Tax Services' section with 'Accounts and Corp Tax', 'MTD ITSA', and 'VAT' links. The main content area is titled 'Example Trading Ltd' and features four tabs: 'Company Details', 'Tax & VAT' (selected), 'Companies House', and 'System & Defaults'. The 'Tax & VAT' tab contains several form fields: 'VAT Registration No' (empty), 'VAT Scheme' (set to 'Standard'), 'VAT Entity' (set to 'Single Organisation'), 'Corporation Tax UTR' (set to '111111111'), 'Corporation Tax Sender Id' (empty), and 'Corporation Tax Password' (empty). Below the password field is a note: 'Government Gateway Password. For security it is never shown once saved; enter a new one to replace it.' A 'Save' button is located at the bottom right of the form. A red button labeled 'Delete this organisation' is positioned at the bottom of the main content area.

Create the accounting period

If you linked Companies House, your period is usually created for you. To create one manually, go to **Accounts and Corp Tax** and choose **Create Accounting Period**:

1. **Period dates** — the start and end of your financial year. The filing **due date** is set automatically to nine months after the year end (you can override it).
2. **Comparative period** — auto-suggested as the previous twelve months. These figures feed the prior-year columns in your accounts; clear them if this is your first year.
3. **Number of employees** — required for the statutory accounts (an average for the year; 0 is allowed if correct).

taxoptimiser

Switch Organisations

Alex Example

Alex Example

Example Trading Ltd

WORKSPACE

Dashboard

Organisation

TAX SERVICES

Accounts and Corp Tax

MTD ITSA

VAT

SYSTEM

Settings

Help Centre

Logout

Create Accounting Period

Accounting Period Name

Leave blank to default to YE-2026

Number of Employees

0

Period dates

Start & End Date

01/11/2025

31/10/2026

Period start

Period end

Due Date

31/07/2027

Auto-set to 9 months after the period end date – you can override.

Comparative period (optional)

Comparative Start & End

01/11/2024

31/10/2025

Prior-period start

Prior-period end

Auto-suggested as the 12 months immediately before this period. These feed the prior-year columns in the accounts. Clear them if there is no comparative year.

Options

Use Negative Brackets

☐ Show negative figures in brackets, e.g. (1,234)

Amended Accounts

☐ This period amends accounts already filed at Companies House

Your period overview

Each accounting period has its own workspace with a menu down the left: **Overview**, **Trial Balance**, **View Accounts**, **Companies House Submission**, **Corp Tax Calculations** and **Corp Tax Submission** – that order is the journey this guide follows. The *Setup Process Checklist* on the right of the Overview tracks what's done and what's still needed, and each item links straight to the screen that completes it.

Tax Optimiser — Corporation Tax User Guide

6 / 66

Switch Organisations

Alex Example

Example Trading Ltd

YE-2025

01/07/2024 – 30/06/2025

Overview

Trial Balance

View Accounts

Companies House Submission

Corp Tax Calculations

Corp Tax Submission

Back to Accounting Periods

Companies House Wizard

Walk through company details, trial balance, accounts review and submission in a single guided flow.

Run Companies House Wizard

Accounting Period

Sync from Companies House

Registered Company Name	Example Trading Ltd	Edit
Registered Office	1 Example Street, London, EC1A 1AA	Edit
Accounting Period	YE-2025	
Dates	01/07/2024 - 30/06/2025	Edit
CT Dates	Same as accounting period	Override
Comparative	01/07/2023 - 30/06/2024	Exclude
Accounts Type	Micro-entity (FRS 105)	Edit
Corporation Tax Status:	Ready to start	Mark as not required

Setup Process Checklist

Trial Balance

Trial balance data is present

View

Validation

Validation warnings found - review recommended

Warnings

Authentication Code

Companies House authentication code required

Enter Code

Presenter Credentials

Presenter ID and password required

Enter Credentials

Submit to Companies House

Complete all steps above to enable submission

Submit

Corporation Tax UTR

Corporation Tax UTR is set

Update

Government Gateway Credentials

Corporation tax user ID and password required

Enter Credentials

Submit to HMRC

Complete all steps above to enable submission

Submit

Next: get your numbers in – see *Getting your numbers in: the trial balance*.

Getting your numbers in: the trial balance

Import from Xero, QuickBooks or a spreadsheet, or key the trial balance by hand - then make sure it balances.

IN SHORT

- The trial balance feeds accounts, computation and CT600 alike
- Xero, QuickBooks, spreadsheet upload or manual entry
- Sales and liabilities are credits; expenses and assets are debits
- The year's profit links the P&L to the balance sheet as retained profit
- Account choice matters: entertaining and donations get tax treatment later
- Grand total debits must equal credits for both years
- Presentation journals adjust without altering imported data

Everything downstream — the statutory accounts, the tax computation and the CT600 — is built from the period's trial balance, so this is the step to get right. Open your accounting period and choose **Trial Balance** from the left menu.

Four ways to bring figures in

When a period has no data yet you're offered four routes:

- **Connect to Xero** or **Connect to QuickBooks** — authorise once and your year-end trial balance syncs across, mapped to the statutory account headings.
- **Import from spreadsheet** — upload an Excel/CSV trial balance export from any other bookkeeping system. See *Import a trial balance from a spreadsheet* for the full walkthrough, including templates for Xero and Sage 50 exports and AI-assisted account mapping.
- **Manual entry** — type the figures straight into a structured grid. This is also where you review and adjust whatever you imported.

The manual entry grid

The grid is organised in the same groupings as the statutory accounts — Turnover, Other income, Cost of raw materials, Staff costs, Depreciation, Other charges, then the balance sheet headings. Each named account row has four columns: **Debit** and **Credit** for the current year, and **Comp Debit/Comp Credit** for the comparative year. Use the search box to jump to an account by name, and **Hide Zero** to collapse everything you haven't used.

Switch Organisations

Alex Example

Example Trading Ltd

YE-2026

01/07/2025 – 30/06/2026

Overview

Trial Balance

View Accounts

Companies House Submission

Corp Tax Calculations

Corp Tax Submission

Back to Accounting Periods

Trial Balance - Manual Entry

Pull in Prior Year Figures

Open Simple Entry

Clear Down

Actions

Save All

Search Nominal Account

Profit and Loss

Hide Zero

Export

Presentation Journal

Turnover	Debit	Credit	Prior Year Debit	Prior Year Credit
Loan interest receivable	0.00	0.00	0.00	0.00
Overseas sales	0.00	0.00	0.00	0.00
Sales	0.00	0.00	0.00	0.00
Rental income	0.00	0.00	0.00	0.00

Other income	Debit	Credit	Prior Year Debit	Prior Year Credit
Bank interest receivable	0.00	0.00	0.00	0.00
Commissions receivable	0.00	0.00	0.00	0.00
Dividend income received	0.00	0.00	0.00	0.00
Grants	0.00	0.00	0.00	0.00
Management charges receivable	0.00	0.00	0.00	0.00
Other income received	0.00	0.00	0.00	0.00

Enter each balance against the most specific account that matches – the account you pick drives both where the figure lands in the accounts and how the tax computation treats it. For example, *Client Entertaining* and *Charitable Donations* have their own rows so the tax side can pick them up later; depreciation belongs on the *Depreciation* rows with the matching balance-sheet movement under fixed assets.

Switch Organisations

Alex Example

Example Trading Ltd

YE-2025

01/07/2024 – 30/06/2025

Overview

Trial Balance

View Accounts

Companies House Submission

Corp Tax Calculations

Corp Tax Submission

Back to Accounting Periods

Trial Balance - Manual Entry

Open Simple Entry Clear Down Actions Save All

Search Nominal Account

Profit and Loss

Hide Zero Export Presentation Journal

Turnover

	Debit	Credit	Prior Year Debit	Prior Year Credit
Loan interest receivable	0.00	0.00	0.00	0.00
Overseas sales	0.00	0.00	0.00	0.00
Sales	0.00	450000.00	0.00	380000.00
Rental income	0.00	0.00	0.00	0.00
Total	0.00	450,000.00	0.00	380,000.00

Other income

	Debit	Credit	Prior Year Debit	Prior Year Credit
Bank interest receivable	0.00	800.00	0.00	0.00
Commissions receivable	0.00	0.00	0.00	0.00
Dividend income received	0.00	0.00	0.00	0.00
Grants	0.00	0.00	0.00	0.00
Management charges receivable	0.00	0.00	0.00	0.00
Other income received	0.00	0.00	0.00	0.00

Debits and credits: a two-minute primer

If you've never kept books before, the **Debit** and **Credit** columns can look intimidating — but the idea behind them is simple. Every transaction has two sides: money comes *from* somewhere and goes *to* somewhere. Make a sale and cash arrives in the bank (one side) because a customer paid you (the other). Bookkeeping records both sides — that's all “double-entry” means — and the trial balance is simply the year-end total of every account, each balance sitting on its debit or credit side.

You don't need to reason it out from first principles — these conventions cover almost everything:

Type of account	Examples	Normally a...
Sales and other income	Sales, bank interest received	Credit
Expenses	Rent, wages, insurance, accountancy fees	Debit
Assets — things the company owns or is owed	Bank balance, equipment, money owed by customers	Debit
Liabilities — what the company owes	Loans, unpaid supplier bills, tax due	Credit
Capital — the owners' stake	Share capital, profits kept in the company	Credit

A useful rule of thumb: **income you've earned and amounts you owe go on the credit side; costs you've paid and things you own go on the debit side**. And a balance on the “wrong” side isn't an error — it usually means something real: a bank account in the credit column is an overdraft, and a debit on a sales row is usually a refund.

Tax Optimiser — Corporation Tax User Guide

10 / 66

How the P&L and balance sheet fit together

The grid's sections split into the same two statements your accounts will show:

- **Profit and loss** rows (Turnover down to Other charges) tell the story of the *year*: income minus expenses equals the year's profit.
- **Balance sheet** rows (fixed assets, debtors, bank, creditors, capital and reserves) are a *snapshot of the last day of the year*: what the company owns, minus what it owes, is what belongs to the owners.

One figure links the two: profit. The year's profit belongs to the owners, so it sits in the balance sheet as retained profit within capital and reserves – which is why *assets minus liabilities* always equals *share capital plus retained profits*. The profit and loss account simply explains *how* that retained profit changed during the year.

This is also why the trial balance must balance. Every transaction was recorded with equal debit and credit sides, so across the whole grid total debits always equal total credits. If they don't, nothing mysterious has happened – a figure has been missed, typed once instead of twice, or put on the wrong side, and the size of the difference is the clue to which one.

Check it balances

Every section shows a running total and the **Grand Total** at the bottom must show equal debits and credits for each year before you move on. If the two sides don't agree, work down the per-section totals to find the entry that's missing or on the wrong side. **Save All** stores the grid; the period Overview checklist ticks off *Trial Balance* once balanced data is present.

taxoptimiser

Switch Organisations

Alex Example

Example Trading Ltd

YE:2025

01/07/2024 – 30/06/2025

Overview

Trial Balance

View Accounts

Companies House Submission

Corp Tax Calculations

Corp Tax Submission

Back to Accounting Periods

Other Loans	0.00	0.00	0.00	0.00
Provision of liabilities				
Deferred taxation	0.00	0.00	0.00	0.00
Provisions	0.00	0.00	0.00	0.00
Capital and reserves				
Capital redemption reserve	0.00	0.00	0.00	0.00
Dividend paid	45000.00	0.00	50000.00	0.00
Non-distributable reserves b/f	0.00	0.00	0.00	0.00
Preference shares	0.00	0.00	0.00	0.00
Profit and loss reserves b/f	0.00	12500.00	0.00	2400.00
Shares capital b/f	0.00	100.00	0.00	100.00
Shares issued	0.00	0.00	0.00	0.00
Total	45,000.00	12,600.00	50,000.00	2,500.00
Grand Total				
Total	513,250.00	513,250.00	417,500.00	417,500.00

© 2026. Powered by Tax Optimiser v1.0.0.10

Leave a review

↑

Journals

If you need year-end adjustments without changing the imported figures — accruals, prepayments, reclassifications — use the **Journals** area on the Trial Balance screen. A *presentation journal* adjusts the final trial balance while leaving the imported figures untouched, so you keep a clean audit trail back to your bookkeeping system.

Building the Corporation Tax computation

Work through the calculation sections - disallowables, adjustments, donations and non-trade income - and watch the payable figure update live.

IN SHORT

- The Corp Tax Payable headline updates as you edit each section
- Disallowables are entered per P&L line with automatic schedules
- Donations: enter once in the Donations section, never twice
- Bank interest is auto-treated as a non-trade credit
- Associated companies scale the marginal relief limits

Open **Corp Tax Calculations** from the period menu. The headline **Corp Tax Payable** figure at the top recalculates the moment you change anything, and the *Sections* menu beneath it breaks the computation into focused screens. You won't need every section — work down the list and complete the ones that apply.

General

Start here. Check the CT return period matches the accounting period (it's split automatically if your accounts run longer than twelve months — see *Accounting periods longer than 12 months*), answer the group and filing questions — 51% group companies, estimated figures, group payment arrangements — and choose the **director accepting** the declaration. The number of associated companies matters: it scales down the marginal relief limits that decide your tax rate.

The screenshot displays the Tax Optimiser software interface for 'Example Trading Ltd'. The top header shows 'Switch Organisations', a user profile 'Alex Example', and a dropdown menu. The sidebar on the left contains navigation options: Overview, Trial Balance, View Accounts, Companies House Submission, Corp Tax Calculations, Corp Tax Submission, and Back to Accounting Periods. The main content area is titled 'CORP TAX PAYABLE' with a value of £17,105.50. Below this is a 'General' section for 'Example Trading Ltd - 99999999'. The 'General' section includes 'CORPORATION TAX DATES' with 'Accounting period' 01/07/2024 - 30/06/2025 and 'CT return covers' 01/07/2024 - 30/06/2025, marked as 'Full period'. A '365 days FY 2024' indicator is shown. Below this is the 'GROUP & FILING CONTEXT' section with various questions and input fields: 'Number of associated companies in this period?' (Box 326) with value 0; 'Is the company part of a group that is not small?' (Box 60) with 'Yes' selected; 'This return contains estimate figures?' (Box 55) with 'Yes' selected; 'Is this an amended return?' with 'No' selected; 'Has made cross-border royalty payments?' (Box 645) with 'Yes' selected; 'Did the company export in this period?' (Boxes 616-618) with 'Neither' selected; and 'Is the company in a group payment arrangement this period?' (Box 635) with 'No' selected.

Further down, answer **Did the company export in this period?** — select **Goods**, **Services** or both, or **Neither**. HMRC asks every company this question (CT600 boxes 616 to 618), and the submission wizard warns you if it is left unanswered.

The screenshot shows the Tax Optimiser interface for 'Example Disposals Ltd' on 'YE 2026' (01/04/2025 - 31/03/2026). The 'BETA' status is highlighted. The 'CORP TAX PAYABLE' is £4,940.00. The 'General' section is active, showing 'CORPORATION TAX DATES' with an accounting period from 01/04/2025 to 31/03/2026, covering 365 days of FY 2025. The 'GROUP & FILING CONTEXT' section contains several questions with 'Yes/No' or 'Full period' options:

- Number of 51 % Companies by 01/04/2025 ? (Box 625): 0
- Is the company part of a group that is not small? (Box 60): No
- This return contains estimate figures? (Box 55): No
- Is this an amended return? (Box 645): No
- Has made cross-border royalty payments? (Boxes 616-618): No
- Did the company export in this period? (Boxes 616-618): Goods

The 'Did the company export in this period?' question has three options: Goods, Services, and Neither. The 'Goods' option is selected.

If the company's profits are large enough to fall under the quarterly instalment rules — broadly more than £1.5 million, shared between associated companies — Tax Optimiser ticks CT600 box 630 (or box 631 above £20 million) automatically and shows a warning on this section, because the instalments themselves are not calculated. Answer **Is first year and not large?** if the company was not large in the previous twelve months: the limit is then £10 million for the year.

P & L and disallowables

The P&L section lists your profit and loss accounts straight from the trial balance, each with a **Disallowable** box. Enter the part of each expense that isn't deductible for Corporation Tax — the classic example is client entertaining, which is disallowed in full. Anything you put here is added back to profit in the computation, with a supporting schedule created automatically.

Switch Organisations

Alex Example

Example Trading Ltd

YE-2025

01/07/2024 – 30/06/2025

Overview

Trial Balance

View Accounts

Companies House Submission

Corp Tax Calculations

Corp Tax Submission

Back to Accounting Periods

Assets

R & D Expenditure

Creative Industries

CFCs & Hybrids

Non Trade Income

Non Trade Credit

Non Trade Debit

Other Income

Chargeable Gains

Management Expenses

Intangibles & Other Reliefs

Donations

EXPENSES BOX 155

Travel and subsistence	Trade	4100.00	0
Accountancy fees	Trade	2400.00	0
Computer costs	Trade	3600.00	0
Charitable Donations	Trade	1000.00	0
Client Entertaining	Trade	3200.00	3200.0
Telephone	Trade	1200.00	0
Depreciation	Trade	7500.00	7500.0
General office expenses	Trade	6300.00	0
Advertising and marketing	Trade	5800.00	0
Motor expenses	Trade	2800.00	0
Wages and salaries	Trade	95000.00	0
Rent	Trade	24000.00	0
Insurance	Trade	1900.00	0

Each line also has a **Type** dropdown. Leave it at **Trade** unless the company lets property: rental income and the costs of letting should be set to **UK property** so they are taxed as a property business (CT600 box 190) rather than in the trade – see *UK property income and losses*.

Depreciation is the one add-back almost every company needs: enter the whole P&L depreciation charge as Disallowable here, then claim capital allowances in the Assets section (see the next article). *Depreciation in your trial balance* walks through it end to end, including profits and losses on disposal. **Charitable donations**, by contrast, do *not* need adding back here: they are added back and relieved automatically once entered in the Donations section below.

Accounting adjustments

Prior-period and transitional adjustments to taxable profit that aren't simple disallowables – income to recognise back to the accounts, or expense adjustments – live in their own section with separate income and expense tabs.

Switch Organisations

Alex Example

Example Trading Ltd

YE-2025

01/07/2024 – 30/06/2025

CORP TAX PAYABLE

£17,105.50

SECTIONS

General

P & L

Accounting Adjustment

Loan to Participants

Provision

Car Lease

Assets

R & D Expenditure

Creative Industries

CFCs & Hybrids

Accounting Adjustment — prior-period and transitional adjustments to taxable profit.

Accounting Adjustments

Income 0

Expenses 0

Income adjustment

Prior-period and transitional adjustments to taxable income.

Add Income Adjustment

No income adjustments yet.

Add an adjustment to reconcile recognised income back to the accounts.

All changes saved

Discard

Save

Donations

Enter qualifying charitable donations here. They're treated exactly as HMRC expects: added back to trading profit, then deducted from *total* profits to arrive at profits chargeable. Don't also disallow them in the P&L section — that would double-count the add-back. The *validate donation total with P&L* option cross-checks the section against your trial balance donations row.

Qualifying Donations

Qualifying charitable donations

Box 305

Add Donation

Deducted from total profits after trading profit to arrive at profits chargeable.

NAME	ALLOWED	DISALLOWED	TOTAL
Local charity donation	1,000	0	1,000
Total — 1 donation	1,000	0	1,000

Validate donation total with P&L

☐

All changes saved

Discard

Save

Tax Optimiser — Corporation Tax User Guide

16 / 66

Non-trade income, credits and debits

Bank interest receivable from your trial balance is picked up automatically as a **non-trading loan relationship credit** — taxed, but outside trading profit. The Non Trade Income, Credit and Debit sections let you review what's been routed there and add anything else (for example interest on overpaid tax, or non-trade loan interest payable).

Non Trade Credit

Non-trade credit Box 170

Add Non Trade Credit

Interest received on non-trade lending, treated as a loan-relationship credit.



No non-trade credit items yet.

Add an item to record a non-trade loan-relationship credit.

Box 170 figure is net of a deficit carried back from a later period Box 172  ☐

All changes saved

Discard Save

The other sections

Chargeable gains and management expenses

Two sections cover companies that hold investments. **Chargeable Gains** records sales of capital assets such as investment property and shares: the gain on each disposal is calculated, capital losses brought forward are used, and the net gain is added to total profits (CT600 boxes 210 to 220) — see *Chargeable gains on the CT600*. **Management Expenses** is for a company with investment business: enter the costs of managing the investments and they are taken out of the trade and deducted from total profits instead (box 245), with any excess carried forward — see *Management expenses for investment companies*.

The remaining sections follow the same pattern and only need attention when they apply: **Loans to Participants** (s455 tax on director/shareholder loans), **Provisions**, **Car Lease** (the flat-rate disallowance for higher-emission leased cars), **R & D Expenditure**, **Creative Industries**, **Income Tax Suffered** (tax deducted at source, box 515, and the gross income it came from, box 185), **Double Taxation Relief** (credit for foreign tax on overseas income, box 450 — see *Double taxation relief on the CT600*), **Investment Income** (exempt dividends, box 620, and non-exempt dividends from overseas companies, box 180 — see *Other income on the CT600*), **Intangibles & Other Reliefs** (non-trading intangible fixed assets and non-trade capital allowances, boxes 195, 265 and 290 — see *Non-trading intangibles on the CT600*), **Losses** (covered later in this guide) and **Tax Avoidance** disclosures.

Capital allowances: pools, additions and the AIA

Disallow depreciation, record your asset additions, and claim the Annual Investment Allowance.

IN SHORT

- Depreciation is disallowed; capital allowances replace it
- Record each addition with date, cost and pool
- AIA gives 100% relief up to the annual limit
- Allocate AIA to special-rate spend first when both exist
- Group companies enter their share of the AIA
- Use the previous computation's carried-forward pools as this period's B/F
- In the final period of a ceased trade, pool balances become balancing allowances
- D-schedules in the computation document support the claim

Depreciation in your accounts isn't tax-deductible — capital allowances replace it. You disallow the depreciation charge in the P&L section, then claim allowances on what the company actually spent, in the **Assets** section of Corp Tax Calculations. For the whole journey from a depreciation charge in the trial balance to the computation, see *Depreciation in your trial balance*.

Choose your pools

The **General** tab is the allowance computation itself, organised by pool. Switch on the pools you need — *Plant and Machinery* covers most equipment; *Special Rate* is for integral building features and higher-emission cars; there are also pools for energy-efficient machinery and cars, structures and buildings, and ineligible assets. Each selected pool gets a column showing opening balances, additions, disposals, allowances and the carried-forward written-down value.

taxoptimiser Switch Organisations Alex Example

Example Trading Ltd
YE-2025
01/07/2024 – 30/06/2025

£17,105.50

Capital Assets

Capital allowances claimed by **Automatic (trade)** **Boxes 688-730**

☐ Trade ceased in this period

General Intangible Fixed Asset Additions Fixed Asset Disposals AIA Allocation

Period ending 30/06/2025

POOLS SHOWN

Plant and Machinery Plant and Machinery Cars Special Rate Special Rate Cars
Energy Efficient Machinery Energy Efficient Cars Ineligible Structures and Buildings

Select all Clear

LINE ITEMS

MAIN POOL - 18% / 14% **Plant and Machinery** Boxes 705 / 775 **ACROSS POOLS Total**

OPENING & MOVEMENT

NBV B/F INPUT		
Net book value brought forward - prior year close	0.00	£ 0.00
Adjustments INPUT		
Manual adjustments to opening balance	0.00	£ 0.00
Additions		

Record what you bought

On the **Fixed Asset Additions** tab, click **Add Asset** and record each purchase: name, date, cost, which pool it belongs to, and whether it was brought into use in the period. The dated list matters – allowance entitlement follows the date the expenditure was incurred, and the additions aggregate automatically into the pool computation on the General tab.

taxoptimiser Switch Organisations Alex Example

Example Trading Ltd
YE-2025
01/07/2024 – 30/06/2025

£17,105.50

Capital Assets

Capital allowances claimed by **Automatic (trade)** **Boxes 688-730** ☐ Trade ceased in this period

General Intangible **Fixed Asset Additions** Fixed Asset Disposals AIA Allocation

Add Asset

Name	Date	Value	Pool	Brought into use	Disposed	CO ₂ g/km	Second-hand
Computer equipment	15/09/2024	14000.0000	Plant and Machinery				

Save

Two first-year allowances give 100% relief and have their own CT600 boxes. Record a new **zero-emission car** against *Energy Efficient Cars* (box 726) and **electric vehicle charge-points** against *Electric Vehicle Charge-Point (100% FYA)* (box 713). Both are available for expenditure up to 31 March 2027 (extended a year by the 2025 Budget); after that the asset types are no longer offered and a later-dated asset is flagged.

New main-rate plant and machinery bought on or after 1 January 2026 — including equipment you lease out, which full expensing does not cover — can instead go against *Main Rate 40% FYA*. Tax Optimiser claims 40% in the year of purchase (CT600 box 696, or box 739 when the allowances belong to a property business) and adds the other 60% to the main pool from the following period. From 1 April 2026 the main pool writing-down allowance is 14% (was 18%); a period that spans the change gets a time-apportioned rate.

					Add Asset
Name	Date	Value	Pool Boxes 688–775	Brought into use	
Electric company car	10/06/2025	38000.0000	Energy Efficient Cars		
Workplace EV charge-p	01/07/2025	6000.0000	Electric Vehicle Charge-Point (100% F)		

A new **electric van** or other zero-emission goods vehicle bought before 1 April 2025 goes against *Zero-Emission Goods Vehicle (100% FYA)* and is reported in box 723. That asset type is only offered for periods starting before 1 April 2025; a new van bought later gets *Full Expensing (100%)* instead. See *Electric vans and zero-emission goods vehicles*.

					Add Asset
Name	Date	Value	Pool Boxes 688–775	Brought into use	
Warehouse racking	02/09/2024	8000.0000	Full Expensing (100%)		
Electric vans x 2	14/06/2024	52000.0000	Zero-Emission Goods Vehicle (100% FYA)		

Allocate the Annual Investment Allowance

The **AIA Allocation** tab shows your AIA entitlement for the period (£1,000,000 a year, apportioned for short or long periods) alongside your plant-and-machinery and special-rate expenditure. Enter how much of each you're claiming as AIA — usually the full amount up to the limit, which gives 100% relief in year one. Anything not covered by AIA stays in the pool for writing-down allowances instead. If you have both main-rate and special-rate spend, allocate AIA to the special-rate pool first — its writing-down rate is lower, so AIA is worth more there.

Capital Assets

Capital allowances claimed by: **Automatic (trade)** Boxes 688-730

☐ Trade ceased in this period i

General Intangible Fixed Asset Additions Fixed Asset Disposals **AIA Allocation**

Group AIA share (annual): **Full limit** i The rows below update when you save.

Date	AIA available i	Annual limit i	PM Expenditure i	PM Allocated i	SR Expenditure i	SR Allocated i	AIA claimed Box 690
01/07/2024	1,000,000	1,000,000	14,000	14	0	0	14,000
- 30/06/2025							

Save

A group of companies shares a single AIA. If the company is in a group, enter the annual amount allocated to it in **Group AIA share** at the top of the tab; the entitlement for each date range is then worked out from that share instead of the full £1,000,000.

Brought-forward pools

Enter last period's closing written-down values in **Write down allowance B/F** on the General tab. When the organisation has an earlier saved computation, the tab shows the main pool and special rate pool it carried forward — click **Use as written down allowance B/F** to copy them in. At the foot of the General tab, **Tax pools and allowances claimed** shows each pool's movement for the period (brought forward, additions, AIA, disposals, writing-down allowance, balancing charge, carried forward) and the total allowances claimed, so you can check the claim without opening the computation.

When the trade stops

For the final period of a trade that has permanently ceased, tick **Trade ceased in this period** at the top of the Assets section. No AIA, first-year allowances or writing-down allowances are due for that period: enter the disposal proceeds (or market value) of every remaining asset, and each pool's remaining balance is claimed as a **balancing allowance** (a negative balance is a balancing charge). On a return split into two periods, only the second gets the balancing allowance. The same tick lets a final trading loss be carried back three years under terminal loss relief — see *Carrying back a trading loss*.

Allowances that are not in the trade

Capital allowances claimed by at the top of the Assets section decides which activity the allowances belong to. **Trade** is the usual choice. Choose **UK property business** for a letting company's assets (see *UK property*

income and losses), or **Investment business (management expenses)** for equipment used to manage a company's investments – those allowances are relieved in CT600 box 255 alongside its management expenses (see *Management expenses for investment companies*). Either way the allowances come out of the trading profit and the CT600 analysis moves to boxes 733 to 755, where EV charge-points, zero-emission goods vehicles and zero-emission cars have their own boxes (737, 748 and 751).

Where it shows up

The claim flows straight through: the headline payable figure updates, and the computation document gains a full set of fixed-asset schedules – D2 capital allowances summary, D3 annual investment allowance, D4 the main pool movement and D5 the additions analysis – so the numbers you file are fully supported.

On the CT600 the allowances are analysed box by box. Zero-emission cars, EV charge-points and zero-emission goods vehicles are reported in their own boxes (726, 713 and 723) rather than in the main pool figure, as the **CT600 Boxes** section shows. *Capital allowances on the CT600* explains every box from 688 to 775, with a worked example.

taxoptimiser			Switch Organisations	Jordan Hale
Example Disposals Ltd YE:2026 01/04/2025 – 31/03/2026 BETA Overview Trial Balance View Accounts Companies House Submission Corp Tax Calculations Corp Tax Submission Back to Accounting Periods				
689	Balancing charges - full expensing	–	?	
690	Annual investment allowance	–	?	
691	Machinery and plant - super-deduction	–	?	
692	Balancing charges - super-deduction	–	?	
693	Machinery and plant - special rate allowance	–	?	
694	Balancing charges - special rate allowance	–	?	
695	Machinery and plant - special rate pool	–	?	
700	Balancing charges - special rate pool	–	?	
705	Machinery and plant - main pool	–	?	
710	Balancing charges - main pool	–	?	
711	Structures and buildings	–	?	
713	Electric vehicle charge-points	£6,000	?	
714	Disposal values - electric vehicle charge-points	–	?	
715	Business premises renovation	–	?	
720	Balancing charges - business premises renovation	–	?	
721	Enterprise zones	–	?	
722	Disposal values - enterprise zones	–	?	
723	Zero-emission goods vehicles	–	?	
724	Disposal values - zero-emission goods vehicles	–	?	
725	Other allowances and charges	–	?	
726	Zero-emission cars	£38,000	?	
727	Disposal values - zero-emission cars	–	?	
730	Other balancing charges	–	?	

Depreciation in your trial balance: how it reaches the Corporation Tax computation

Depreciation in the accounts is not deductible for Corporation Tax. How to add it back in Tax Optimiser, record your fixed assets so capital allowances replace it, and reverse profits or losses on disposal.

IN SHORT

- Depreciation is never deductible - capital allowances replace it
- Nothing is added back automatically: use the P & L Disallowable column or the Assets General tab
- Entering it in both places adds it back once, using the larger figure
- Write down allowance B/F is the tax pool, not the net book value
- Reverse a profit or loss on disposal via NBV on disposals and Disposal proceeds
- Mark impairment Disallowable yourself; amortisation of intangibles is often deductible
- Considerations flags depreciation that has not been added back

Almost every company with vans, computers, machinery or furniture has a depreciation charge in its accounts. That charge reduces the accounts profit, but it is **not** a deduction for Corporation Tax. Instead, the company claims **capital allowances** on what it actually spent. This guide follows a depreciation charge from the trial balance through to the tax computation in Tax Optimiser: where to add it back, how to record the fixed assets so the allowances are right, what to do when an asset is sold, and the other adjustments you may need along the way.

Nothing is added back automatically. The computation starts from the profit in your accounts and uses the trial balance lines exactly as they are. Depreciation stays deducted until you tell the computation to add it back — on the **P & L** section or the **Assets** section. The **Considerations** check (see the end of this guide) warns you if you forget.

Why depreciation is added back

Depreciation spreads the cost of an asset over the years the company expects to use it. How fast that happens is a choice made in the accounts, so the tax rules ignore it. The company gets tax relief for the cost of the asset through capital allowances instead, at rates set by law: often 100% in the year of purchase through the Annual Investment Allowance (AIA), otherwise a percentage of the pool balance each year.

So the computation does two things with a fixed asset:

1. **Adds back** the depreciation charged in the accounts, and reverses any accounts profit or loss when an asset is sold.
2. **Deducts** the capital allowances due for the period.

There is no box for depreciation on the CT600. Both steps happen inside the trading profit in **box 155** (or the property business profit in box 190, for a property company). The allowances themselves are reported in boxes 690–775.

Where depreciation sits in your trial balance

A trial balance normally has depreciation in two places: the *charge* in the profit and loss account, and the *accumulated depreciation* on the balance sheet. Only the P&L charge changes the profit, so that is what you add back. The balance-sheet lines give you the figures you need for the Assets section.

Trial balance account	What it is	What to do in the computation
Depreciation of tangible assets (FRS 102), or Depreciation (FRS 105)	The P&L depreciation charge for the year	Add it back — step 1
e.g. <i>Plant and machinery cost b/f, depreciation b/f</i>	Cost and accumulated depreciation at the start of the year	Cost less depreciation = net book value brought forward on the Assets section — step 2
e.g. <i>Plant and machinery additions, Motor vehicle additions</i>	What the company bought in the year	Claim capital allowances on the Fixed Asset Additions tab — step 3
e.g. <i>Plant and machinery Depreciation charge for the year</i>	The balance-sheet side of the P&L charge	Nothing — it is the same charge seen from the balance sheet; never add it back twice
<i>Disposal of assets at cost, Depreciation on assets disposed in the year, Profit/loss on disposal of tangible assets</i>	An asset sold or scrapped in the year	Reverse the profit or loss and put the proceeds into the pool — step 4
Impairment	A one-off write-down of an asset	Add it back, like depreciation — see other adjustments
Amortisation of intangible fixed assets	Depreciation of goodwill, software licences and other intangibles	Different rules: often deductible — see other adjustments

Step 1: add the depreciation back

Open the period's **Corp Tax Calculations**. There are two places to add depreciation back, and you can use either or both:

On the P & L section (recommended)

Choose **P & L** from the Sections list. Each expense line from the trial balance has a **Disallowable** column. Enter the whole depreciation charge against the depreciation line, then **Save**.

taxoptimiser Switch Organisations Alex Morgan

Example Depreciation Ltd
YE-2026
01/04/2025 – 31/03/2026

P & L

Accounting Adjustment

Loan to Participants

Provision

Car Lease

Assets

R & D Expenditure

Creative Industries

CFCs & Hybrids

Non Trade Income

Non Trade Credit

Non Trade Debit

Other Income

Account	Trade	Amount	Balance
Sales	Trade	220000.00	0
COST OF SALES BOX 155			
Purchases	Trade	-80000.00	0
EXPENSES BOX 155			
General office expenses	Trade	4000.00	0
Depreciation of tangible assets	Trade	14000.00	14000.00
Rent	Trade	8000.00	0
Profit/loss on disposal of tangible assets	Trade	-1500.00	0
Wages and salaries	Trade	60000.00	0

All changes saved Discard Save

On the computation, the add-back appears under **Accounting Disallowable Expenditure Addback** with the account's own name ("Depreciation of tangible assets"). If you need to show how the figure is made up, switch on **Detailed view** and use **Create Disallowable** to enter a breakdown.

On the Assets section

Choose **Assets**, stay on the **General** tab, and enter the charge in the **Depreciation charge in year** row, in the column of the pool the assets belong to. This route also builds the D1 Fixed Assets schedule on the computation (step 2). On its own it adds the charge back as **Fixed Assets Depreciation**.

Using both: it is only added back once

Entering the charge in both places does **not** double it. The computation adds back the *larger* of the two figures: the P&L Disallowable amount, plus any extra on the Assets section as "Fixed Assets Depreciation". When the two match, as in the example below, you see a single line with the account's name. If they differ, Considerations asks you to check which figure is right.

Step 2: record the fixed assets on the General tab

The **General** tab of the Assets section holds two sets of figures side by side. The *accounts* figures (net book value and depreciation) build the D1 schedule and reverse disposal profits. The *tax* figures (the pool brought forward) drive the allowances. Switch on the pools you need under **Pools shown** (most assets go in **Plant and Machinery**), then fill in each pool's column:

Row	What to enter	Where it comes from
NBV B/F	Net book value at the start of the period	Cost b/f less depreciation b/f, from the trial balance
Additions	Filled in for you	The Fixed Asset Additions tab (step 3)
Depreciation charge in year	The accounts depreciation	The P&L depreciation line
NBV on disposals	Net book value of anything sold or scrapped	Disposal at cost less depreciation on disposals (step 4)
Disposal proceeds	What the company received for it	The sale invoice; it also comes off the tax pool
Write down allowance B/F	The <i>tax</i> pool brought forward — not the net book value	Last year's computation: the pool carried forward

LINE ITEMS	MAIN POOL · 18% / 14% Plant and Machinery Boxes 705 / 775 ⓘ		ACROSS POOLS Total
OPENING & MOVEMENT			
NBV B/F ⓘ INPUT Net book value brought forward · prior year close	22000.00	£ 22,000.00	
Adjustments ⓘ INPUT Manual adjustments to opening balance	0.00	£ 0.00	
Additions ⓘ FROM ADDITIONS TAB Aggregated from Fixed Asset Additions	£ 30,000.00	£ 30,000.00	
Depreciation charge in year INPUT Accounting depreciation, this period	14000.00	£ 14,000.00	
NBV on disposals ⓘ INPUT NBV of items being disposed of	2500.00	£ 2,500.00	
Tax written down value transfer in/out (31/03/2026) INPUT As at 31/03/2026 · positive = in	0.00	£ 0.00	
NBV carried forward CALC Opening + adjustments + additions – depreciation – disposals + transfers	£ 35,500.00	£ 35,500.00	
DISPOSALS			
NBV on disposals CALC Carried from above for clarity	£ 2,500.00	£ 2,500.00	
Disposal proceeds (31/03/2026) INPUT As at 31/03/2026	4000.00	£ 4,000.00	
Profit / loss on disposals CALC Disposal proceeds – NBV on disposals	£ 1,500.00	£ 1,500.00	
TAX ADJUSTMENTS			
Tax pool adjustments (31/03/2026) INPUT	0.00	£ 0.00	

As at 31/03/2026		
Write down allowance B/F (31/03/2026)	20000.00	£ 20,000.00
INPUT		
Brought forward as at 31/03/2026		

Check the **NBV carried forward** row against the balance sheet. If it agrees, the figures you have entered match the accounts.

Net book value and tax written down value are different numbers. Net book value is cost less *depreciation*. The tax pool is cost less *capital allowances*. With AIA they drift far apart. Put last year's tax pool in **Write down allowance B/F**, not the net book value. If last year's computation was done in Tax Optimiser, a banner shows the pools it carried forward, with a **Use as written down allowance B/F** button.

Step 3: claim capital allowances on what was bought

On the **Fixed Asset Additions** tab, click **Add Asset** for each purchase. Enter its name, date and cost, and choose the **Pool**. Most equipment and vans go to **Plant and Machinery**. Cars go to a pool by their CO₂ emissions. New plant can instead take full expensing or another first-year allowance.

Name	Date	Value	Pool	Brought into use	Disposed	CO ₂ g/km	Second-hand
Delivery van (new)	16/06/2025	30000.0000	Plant and Machinery				

Then, on the **AIA Allocation** tab, enter how much AIA to claim against the period's plant and machinery spend (**PM Allocated**) and special rate spend (**SR Allocated**). Claim it against special rate spend first, because that pool only gets 6% a year. Anything you do not cover with AIA stays in the pool and gets the writing-down allowance instead.

Group AIA share (annual)	Full limit	The rows below update when you save.					
Date	AIA available	Annual limit	PM Expenditure	PM Allocated	SR Expenditure	SR Allocated	AIA claimed
01/04/2025							
-	1,000,000	1,000,000	30,000	30	0	0	30,000
31/03/2026							

The computation compares the additions in the trial balance with the Fixed Asset Additions tab. If they differ, Considerations tells you: "The accounts show £30,000 of tangible fixed asset additions, but £0 of additions are entered on the Fixed Asset Additions tab...". An addition that does not qualify for allowances, such as land, should still be entered, with the pool set to **Ineligible**. The *capital allowances guide* covers every pool and allowance in detail.

Step 4: assets sold or scrapped – profit or loss on disposal

When an asset is sold, the accounts show a **profit or loss on disposal**: the proceeds less its net book value. For tax, that profit is not taxable and that loss is not deductible. Instead, the *proceeds* come off the capital allowances pool. So both need correcting.

For an asset in a pool, enter the sale on the **General** tab, in the pool's column:

- **NBV on disposals**: its cost less the depreciation charged on it (the *Disposal of assets at cost* line less the *Depreciation on assets disposed in the year* line in the trial balance);
- **Disposal proceeds**: what the company received.

The **Profit / loss on disposals** row works out the difference. The computation deducts a profit (or adds back a loss) as "Profit and Loss on Disposal", and takes the proceeds off the pool before the writing-down allowance is worked out.

The trial balance "Profit/loss on disposal" line is not reversed on its own. Only the General tab rows above reverse it. If you record the sale on the **Fixed Asset Disposals** tab instead – for example an asset that had full expensing, where the sale creates a balancing charge – that tab updates the allowances but leaves the accounts profit or loss in place. Reverse it yourself:

- a **loss** on disposal: enter it in the **Disallowable** column on the P & L section;
- a **profit** on disposal: on the **Accounting Adjustment** section's Income tab, add a row with the profit as both the P/L amount and the Non-Taxable amount.

Record each sale in one place only. Proceeds entered on both the General tab and the Fixed Asset Disposals tab come off the pool twice.

How it shows on the computation: a worked example

Example Depreciation Ltd makes up accounts to 31 March 2026. Its trial balance shows a profit of 55,500, after a depreciation charge of 14,000 and a 1,500 profit on selling its old van for 4,000. It bought a new van for 30,000. Its main pool brought forward from last year's computation was 20,000.

	£
Profit per accounts	55,500
Less: profit on disposal (not taxable)	(1,500)
Add: depreciation (disallowable)	14,000
Profit before capital allowances	68,000
Less: AIA on the new van (box 690)	(30,000)
Less: writing-down allowance, $18\% \times (20,000 \text{ pool} - 4,000 \text{ proceeds})$	(2,880)
Trading profit (box 155)	35,120
Corporation Tax at 19%	6,672.80

Without the add-back the company would have paid tax on 14,000 less profit, but it would also have received no allowances. Depreciation and capital allowances often come out close over the life of an asset, but rarely

in the same year.

Open **Computation Document** from the bottom of the Sections list to see the result. Page **B1 Accounts Adjustments** starts from the profit per accounts, deducts the disposal profit, adds back the depreciation and takes off the capital allowances:

Example Depreciation Ltd
ended 31 March 2026

B1 Accounts Adjustments

	£
Profit per accounts	C1 55,500
Accounting Non-Taxable Income Deducted	
Profit and Loss on Disposal	1,500
Accounting Disallowable Expenditure Addback	
Depreciation of tangible assets	14,000
	<u>68,000</u>
Capital allowances	D2 <u>(32,880)</u>
Adjusted profit	<u><u>35,120</u></u>
	A3

Page **D1 Fixed Assets** reconciles the net book value, with the disposal analysis that produced the 1,500:

Example Depreciation Ltd
ended 31 March 2026

D1 Fixed Assets

	Eligible for allowances	Intangibles (Qualifying)	Revenue costs	Ineligible costs	Finance leases	Total
	£	£	£	£	£	£
Net book value brought forward	22,000	-	-	-	-	22,000
Additions	30,000	-	-	-	-	30,000
Net book value of disposals	2,500	-	-	-	-	2,500
Depreciation	14,000	-	-	-	-	14,000
Net book value carried forward	35,500	-	-	-	-	35,500
Disposal analysis						
Net book value of disposals	2,500	-	-	-	-	2,500
Disposal proceeds	4,000	-	-	-	-	4,000
Profit on disposals	1,500	-	-	-	-	1,500
Additions analysis - capital allowances						
Plant and machinery main pool - 31/03/2026	D4 30,000					
	above 30,000					

Pages **D2 Capital allowances** and **D3 Annual investment allowance** show the allowances that replace the depreciation:

Example Depreciation Ltd ended 31 March 2026

D2 Capital allowances

	Plant and Machinery Pool	Special Rate Pool	Total
AIA (31/03/2026)	30,000	-	30,000
WDA (31/03/2026)	2,880	-	2,880
Total (31/03/2026)	32,880	-	32,880

D3 Annual investment allowance

Period		Allowance Available	Maximum Allowance	Plant and Machinery		Special Rate	
				Expenditure	Allocated	Expenditure	Allocated
01/04/2025 - 31/03/2026	D4	1,000,000	1,000,000	30,000	30,000	-	-
				30,000	30,000	-	-
Total Expenditure		30,000					
Total Allocated		30,000					
Total Allowance Available					1,000,000		
Total Allowance Remaining					970,000		

The trading profit then reaches the return. The **CT600 Boxes** section shows box 155:

The screenshot shows the taxoptimiser software interface. The sidebar on the left contains navigation options: Overview, Trial Balance, View Accounts, Companies House Submission, Corp Tax Calculations, Corp Tax Submission, and Back to Accounting Periods. The main area displays the CT600 Boxes section. A table lists various boxes and their descriptions, with values and help links. Box 155, 'Trading profits', is highlighted with a value of £35,120. Other boxes shown include 135 (Supplementary charge), 140 (Disclosure of Tax Avoidance Schemes), 141 (Restitution tax), 142 (Research and Development), 143 (Freeports and Investment Zones), 144 (Residential Property Developer Tax), 145 (Total turnover from trade), 150 (No recognised turnover), 160 (Trading losses brought forward), 165 (Net trading profits), 170 (Bank and other interest), 172 (Box 170 is net of carrying back), 175 (Annual payments), 180 (Non-exempt dividends), 185 (Income from which Income Tax has been deducted), 190 (Income from a property business), 195 (Non-trading gains on intangible fixed assets), and 200 (Tonnage tax profits).

The main pool writing-down allowance is 18% a year, falling to 14% from 1 April 2026. For a period that spans that date, the rate is time-apportioned.

Other adjustments you may need

Impairment

An impairment write-down of a tangible asset is capital, just like depreciation, so it is not deductible. Enter it in the **Disallowable** column against the *Impairment* line on the P & L section. The depreciation check in Considerations does not look at impairment, so nothing will remind you.

Amortisation of intangible assets

Goodwill, software and other intangibles are treated differently. For most intangibles a company created or bought from April 2002, the amortisation in the accounts *is* deductible under the corporate intangibles rules (CTA 2009 Part 8). Exceptions include goodwill bought between July 2015 and March 2019, and assets that pre-date April 2002. Enter the charge on the Assets section's **Intangible** tab:

- with nothing in the **Intangible fixed assets register**, the **Amortisation charge in year** is added back in full, and Considerations reminds you it is usually deductible;
- once you list the assets in the register, with each one's tax treatment, the register works out what is added back and what is deducted instead. It also covers the 4% fixed-rate election and gains or losses on disposal.

Do not mark amortisation Disallowable on the P & L section if it is deductible.

Assets held under finance leases

When the company leases an asset on a finance lease, the accounts show it as an asset and depreciate it. That depreciation stands in for the lease payments, and it is normally deductible. Leave it out of the Disallowable amount, and enter it on the Intangible tab in the **Amortisation charge in year** row, **Finance Leasing** column, rather than in the pool columns, so it is not added back.

Buildings and land

Depreciation on buildings is added back like any other. Buildings do not go into the plant and machinery pools. New commercial buildings and works may get the 3% **Structures and Buildings Allowance**: switch on **Structures and Buildings** on the General tab. Land never qualifies, so enter it as **Ineligible**.

Property companies

If the depreciation belongs to a UK property business, set the line's **Type** to UK property on the P & L section. You can also set **Capital allowances claimed by** to UK property business at the top of the Assets section. The add-back and the allowances then go into the property business result (box 190, or box 805 for a loss) instead of the trade. See *property income*.

Simple Entry

If you prepared the accounts with Simple Entry, its Corporation Tax step has a **Depreciation add-back (SE 11)** box. It defaults to the depreciation in the accounts, so the add-back is made for you. See *choosing how to enter your figures*.

Checking your work: Considerations

When the calculation spots something worth a second look, a **Considerations** entry appears near the bottom of the Sections list, just above CT600 Boxes. Its badge shows how many are open. Two checks cover depreciation:

- **Depreciation not added back:** "£14,000 of depreciation is charged in the P&L but only £0 is added back...". It appears when the P&L depreciation charge is more than the amount added back on either route.
- **The two routes disagree:** the Assets section and the P&L Disallowable column hold different depreciation figures. The larger one is used; make sure it is the right one.

The screenshot shows the taxoptimiser interface for 'Example Depreciation Ltd' for the year 'YE-2026' (01/04/2025 - 31/03/2026). The 'CORP TAX PAYABLE' is £10,957.50. A 'Considerations' warning message states: 'The accounts show £30,000 of tangible fixed asset additions, but £0 of additions are entered on the Fixed Asset Additions tab. Check every qualifying addition is claimed (and anything not qualifying, such as land, is entered as Ineligible).' Below this, a message explains: '£14,000 of depreciation is charged in the P&L but only £0 is added back. Depreciation is not deductible for corporation tax (capital allowances are given instead) – mark it Disallowable on the P&L tab or enter the charge on the Assets tab.' There are 'Go to section' and 'Override' buttons.

Go to section takes you to the input that needs changing. **Override** accepts the figure as correct, for example where part of the charge is finance-lease depreciation that is genuinely deductible. An overridden warning moves to an **Overridden** list with who overrode it and when, and comes back if the amount changes. **Restore** brings it back by hand.

Before you file, run through this list:

- The full P&L depreciation charge is added back, and the Considerations warning has gone.
- Impairment, if any, is marked Disallowable.
- NBV carried forward on the General tab agrees with the balance sheet.
- Write down allowance B/F is last year's tax pool, not the net book value.
- Every addition is on the Fixed Asset Additions tab, and AIA is allocated.
- Any profit or loss on disposal has been reversed exactly once.

Common questions

Do I need to enter depreciation on both the P & L and the Assets section?

No. Either one adds it back. The computation uses the larger of the two, so entering it in both does not double it. Filling in the Assets General tab as well gives you the D1 Fixed Assets schedule and the profit-on-disposal reversal, so most people do both.

Why did my tax go up when I added the depreciation back?

Because depreciation is not deductible; the relief comes from capital allowances instead. If the tax looks too high, check that the year's purchases are on the Fixed Asset Additions tab with AIA allocated, and that the

pool brought forward is filled in.

Is a profit on selling a fixed asset taxed?

Not as income. The accounts profit is deducted in the computation, and the sale proceeds reduce the capital allowances pool instead. If the proceeds exceed the pool, that creates a balancing charge. Enter the net book value and proceeds on the Assets General tab.

What is the difference between net book value and the tax written down value?

Net book value is cost less accounting depreciation. Tax written down value is cost less the capital allowances claimed. They are tracked separately: NBV B/F on the General tab is the accounts figure, and Write down allowance B/F is the tax pool.

Is amortisation of goodwill added back?

Usually not, for goodwill and other intangibles acquired from April 2002: the amortisation is deductible under the intangibles rules. The exceptions are goodwill bought between July 2015 and March 2019 and older intangibles. Use the Intangible fixed assets register on the Assets section to set each asset's treatment.

Where does depreciation appear on the CT600?

Nowhere on its own. It is added back inside the trading profit in box 155. The capital allowances that replace it are shown in boxes 690 to 775.

Where to go next

- *Capital allowances* — pools, AIA, first-year allowances and full expensing.
- *The Corporation Tax computation* — every section of Corp Tax Calculations.
- *Tangible fixed assets note* — the accounts side of the same figures.
- *CT600 box-by-box guide* — including the capital allowances boxes.
- [GOV.UK: claiming capital allowances](#).

Trading losses: carry forward and carry back

Read the loss movement, record brought-forward and carried-back losses (pre- and post-2017), and let the carried-forward balance calculate itself.

IN SHORT

- The movement table shows whether a loss arises for tax, not just in the accounts
- Post-2017 losses brought forward are applied automatically against total profits (box 285)
- Pre-2017 losses relieve trading profit (box 160) and qualifying investment income (box 225)
- Carry back this period's loss for a repayment of last year's tax (box 45)
- Brought-forward property losses can be held back so this period's non-trading deficit is claimed in box 260
- The carried-forward balance calculates itself; property losses and deficits have their own sections
- Tick Trade carried on wholly outside the UK to report a loss in box 790 instead of box 780

If the company makes a trading loss — or has losses left over from earlier years — the **Losses** section of Corp Tax Calculations is where they're recorded and used. It opens with a movement table that shows what happened to the losses this period, followed by the inputs that drive it.

The loss movement

For a worked example of a loss carried forward and used in a later year, box by box, see *Trading losses carried forward*.

Losses

Trade carried on wholly outside the UK Box 790 i

☐

LOSS MOVEMENT

Profit/(loss) per accounts	£82,000
Tax-adjusted trading profit/(loss) i	£79,700
Losses brought forward	—
Used against total profits this period Box 285	—
Losses carried forward	—

Only the amounts actually used appear on the CT600 (boxes 160 and 285) — the form has no box for the brought-forward pool itself. The unused balance is shown in the computation's Losses and Carried Forward Amounts sections; bring it into the next period with "Pull losses from prior period" on that period's Losses tab.

UK PROPERTY BUSINESS LOSSES

No P & L lines are marked **UK property**. Mark rental income and property costs as UK property on the P & L section to compute the property business result; enter any unrelieved property losses brought forward below ([see the guide](#)).

Property business profit/(loss) this period i	—
Property losses brought forward	—
Set against total profits Box 250	—
Property losses carried forward	—

UK Property Loss B/F Box 250 i

0.00

NON-TRADING LOAN RELATIONSHIP DEFICITS

Non-trade Deficit B/F Box 263 i

0.00

PERIOD ENDING 30/06/2025

Trading Loss B/F (pre 1 April 2017) Box 160 i

0.00

Trading Loss B/F Amount Box 285 i

0.00

Trading Loss Carried Back Box 45 i

0.00

Trading Loss Brought Back Boxes 275/280 i

0.00

Trading Loss Carried Forward i

0.00

● All changes saved

Discard

Save

The table runs from the **profit or loss per accounts** to the **tax-adjusted trading profit or loss** – the accounts figure after add-backs (depreciation, disallowables) and capital allowances. That adjusted figure, not the accounts figure, decides whether a loss arises for tax, and the section says so when the two disagree: an accounts loss can still be a taxable profit once depreciation is added back, and an accounts profit can become a tax loss when capital allowances exceed depreciation. Beneath it the table lists losses brought forward, the amounts used this period, any loss arising, carry-back, and the balance carried forward. Each line carries a chip naming the CT600 box it feeds.

The inputs

- **Trade carried on wholly outside the UK** – the tick box at the top of the section. Leave it clear for a UK trade. Tick it only when the whole trade is carried on abroad: a trading loss is then reported in box 790 instead of box 780, is not set against other income or carried back, and is carried forward against the same trade only (box 160). The pre-2017 field below is then labelled **Trading Loss B/F (same trade only)**. Tick it in each period of the trade. See *A trade carried on wholly outside the UK*.
- **Trading Loss B/F (pre 1 April 2017)** – the part of the brought-forward pool that arose before 1 April 2017. Older losses can only be set against profits of the *same trade*, so this figure feeds box 160. Leave it at zero unless the company has genuinely old losses.
- **Pre-2017 loss claimed against investment income** – appears once there is a pre-2017 pool. Pre-2017 losses can also be set against interest and dividends that would have been receipts of the trade (CTA 2010 s45(4)(b)) – a dealer's investment income, for example. Enter the amount that qualifies: it goes in box 225, capped at what is left of the pool after box 160 and at the interest and dividends in boxes 170 to 185, and the pool carried forward goes down by the same amount.
- **Trading Loss B/F Amount** – post-2017 losses brought forward from earlier periods. These are set against the period's *total* profits automatically and the amount used goes in box 285; whatever is not used rolls forward again.
- **Trading Loss Carried Back** – if *this* period made a loss, the amount carried back against the previous year's profits (or three years when the trade has ceased). Carrying back generates a repayment of tax already paid, so it is usually claimed before carrying forward. It ticks box 45, the claim affecting an earlier period. The **Carry back to earlier periods** panel below it works the figure out and fills it in for you.
- **Trading Loss Brought Back** – a loss arriving *into* this period from a later loss-making year's carry-back claim, reported in boxes 275 and 280. Applying the carry-back on the later period fills this in; enter it by hand only when that period is not in Tax Optimiser.
- **Trading Loss Carried Forward** – calculated for you: whatever is left after current-year use and any carry-back, available to the next period.

LOSS MOVEMENT

Profit/(loss) per accounts	£85,000
Tax-adjusted trading profit/(loss) 	£60,000
Losses brought forward — pre 1 April 2017	£150,000
Used against trading profits this period Box 160	(£60,000)
Used against investment income Box 225	(£20,000)
Losses brought forward — post 1 April 2017	—
Used against total profits this period Box 285	—
Losses carried forward — pre 1 April 2017	£70,000
Losses carried forward — post 1 April 2017	—

Only the amounts actually used appear on the CT600 (boxes 160 and 285) — the form has no box for the brought-forward pool itself. The unused balance carries forward automatically and is shown in the computation's Losses and Carried Forward Amounts sections.

UK PROPERTY BUSINESS LOSSES

No P & L lines are marked **UK property**. Mark rental income and property costs as UK property on the P & L section to compute the property business result; enter any unrelieved property losses brought forward below ([see the guide](#)).

Property business profit/(loss) this period 	—
Property losses brought forward	—
Set against total profits Box 250	—
Property losses carried forward	—
UK Property Loss B/F Box 250 	0.00

NON-TRADING LOAN RELATIONSHIP DEFICITS

Non-trade Deficit B/F Box 263 	0.00
--	-----------------------------------

PERIOD ENDING 31/03/2024

Trading Loss B/F (pre 1 April 2017) Box 160 	150000.00
Pre-2017 loss claimed against investment income Box 225 	20000.00
Trading Loss B/F Amount Box 285 	0.00
Trading Loss Carried Back Box 45 	0.00
Trading Loss Brought Back Boxes 275/280 	0.00
Trading Loss Carried Forward 	0.00

● All changes saved

Discard

Save

When the period has a loss to carry back, the **Carry back to earlier periods** panel appears under Trading Loss Carried Back. **Work out carry-back** shares the loss across the company's earlier periods in Tax Optimiser, latest first, within the 12-month window – or three years when **Trade ceased in this period** is ticked. **Apply carry-back** then writes the Trading Loss Brought Back figure into each earlier period, recalculates it, and flags any return that has already been filed and needs amending. See *Carrying back a trading loss* for a worked example.

Carry back to earlier periods

Terminal loss relief: the previous 3 years, later periods first. Loss available: £70,000.

[Work out carry-back](#)

For example, a dealer has £150,000 of pre-2017 losses, a trading profit of £60,000 and £25,000 of loan interest (entered on Non Trade Credit), £20,000 of it on funds it holds for its trade. £60,000 of the pool goes against the trade (box 160) and £20,000 against the interest (box 225), so only £5,000 is chargeable and £70,000 carries forward.

Profit/(loss) per accounts	£85,000
Tax-adjusted trading profit/(loss) i	£60,000
Losses brought forward – pre 1 April 2017	£150,000
Used against trading profits this period Box 160	(£60,000)
Used against investment income Box 225	(£20,000)
Losses brought forward – post 1 April 2017	—
Used against total profits this period Box 285	—
Losses carried forward – pre 1 April 2017	£70,000
Losses carried forward – post 1 April 2017	—

taxoptimiser

Switch Organisations

Helen Marsh

Example Venture Holdings Ltd

YE 2024

01/04/2023 – 31/03/2024

BETA

Overview

Trial Balance

View Accounts

Companies House Submission

Corp Tax Calculations

Corp Tax Submission

Back to Accounting Periods

with HMRC

190 Income from a property business

195 Non-trading gains on intangible fixed assets

200 Tonnage tax profits

205 Income not falling under any other heading

CHARGEABLE GAINS

Box	Description	Value	Help
210	Gross chargeable gains	—	?
215	Allowable losses including losses brought forward	—	?
220	Net chargeable gains	—	?

PROFITS BEFORE OTHER DEDUCTIONS AND RELIEFS

Box	Description	Value	Help
225	Losses brought forward against certain investment income	£20,000	?
230	Non-trade deficits on loan relationships brought forward	—	?
235	Profits before other deductions and reliefs	£5,000	?

DEDUCTIONS AND RELIEFS

Box	Description	Value	Help
240	Losses on unquoted shares	—	?
245	Management expenses	—	?
250	UK property business losses for this or previous accounting period	—	?
255	Capital allowances for the purposes of management of the business	—	?
260	Non-trade deficits for this accounting period from loan relationships	—	?
263	Carried forward non-trade deficits from loan relationships	—	?
265	Non-trading losses on intangible fixed assets	—	?

Only the amounts actually used appear on the CT600 (boxes 160, 225 and 285) — the form has no box for the pool itself. The unused balance carries forward automatically and is shown in the computation's Losses and Carried Forward Amounts schedules.

Long periods

When the accounts run longer than twelve months the return is split into two periods and the section gains a second block. Period 2 is a separate accounting period, so it can bring forward the loss Period 1 leaves behind: enter the amount to use in **Trading Loss Brought Forward (from Period 1)** (capped at Period 1's carried-forward figure) and the section shows what is set against Period 2's profits and what remains. For a

trade carried on wholly outside the UK there is nothing to enter: each return reports its own loss in box 790 and Period 1's loss passes to Period 2 automatically.

UK property business losses

A loss on the company's rental property is not a trading loss and has its own relief. The **UK property business losses** part of the section shows the property result for the period, any loss arising (box 805), the amount set against total profits (box 250) and the balance carried forward, with a single input for property losses brought forward from earlier years. How to mark rental income and letting costs as UK property, and how the relief works, is covered in *UK property income and losses*.

Non-trading loan relationship deficits

When the company's interest and other loan relationship debits exceed its credits, the excess is a **non-trading deficit**. The **Non-trading loan relationship deficits** part of the section shows the deficit arising this period (box 795), the amount set against total profits (box 260), any deficit brought forward and used (box 263), and the balance carried forward. Deficits arising this period come from the Non Trade Debit section; earlier years' unrelieved deficits go in **Non-trade Deficit B/F**. See *Non-trading loan relationship debits and deficits* for the detail.

Claiming the deficit before brought-forward property losses

Property losses (box 250) rank ahead of the deficit (box 260) on the CT600. So if the company has a large pool of property losses brought forward, that pool can use up all of this period's profits. Box 260 then shows a dash, and the whole deficit carries forward unused.

You don't have to use the brought-forward property losses first. A company can claim that some of its brought-forward property losses are *not* set against this period's profits (CTA 2010 s62), which leaves room to set this period's deficit against total profits instead (CTA 2009 s461). Whenever the period has a deficit arising and property losses brought forward, the section shows a tick box: **Claim this period's deficit before brought-forward property losses**. Tick it and:

- box 250 goes down by the amount of the deficit (or by all of the profits, if the deficit is bigger);
- box 260 goes up by the same amount, so the taxable profit doesn't change;
- the property losses held back are added to the property losses carried forward, so none are lost. A note under the tick box shows the amount, and the computation's UK Property Business schedule records the claim.

Only the *brought-forward* property losses are held back: a property loss arising in this period is always set against this period's profits in full. On a long period the claim applies to both return periods.

Worked example: property profit £8,696, a non-trading deficit of £6,910 and £59,925 of property losses brought forward. Without the claim, box 250 is £8,696, box 260 is nil and £6,910 of deficit carries forward. With the claim, box 250 is £1,786, box 260 is £6,910 and no deficit carries forward. The property losses carried forward go up by £6,910, from £51,229 to £58,139. The profit chargeable is nil either way. What changes is which relief is kept for later.

How the reliefs rank

Losses are applied in a fixed order in the profits-chargeable summary: pre-2017 trading losses against trading profit (box 160) and against qualifying investment income (box 225) first, then a claimed loss on unquoted shares (box 240), then management expenses and their capital allowances for a company with investment business (boxes 245 and 255), then property losses against total profits, then non-trading deficits (this period's, then brought forward), then a claimed non-trading loss on intangible fixed assets and non-trade capital allowances (boxes 265 and 290), then post-2017 trading losses brought forward, and finally qualifying charitable donations — so each relief only sees the profit the earlier ones left. The tick box described above is the one way to change this order: it lets this period's deficit go ahead of brought-forward property losses. A current-period trading loss is set sideways against the period's other income (property profit, interest) before anything is carried back or forward. Capital losses are separate again: they are only ever set against chargeable gains, on the Chargeable Gains section — the one exception being a loss on unquoted shares an investment company subscribed for, which can be claimed against income (box 240, see *Chargeable gains on the CT600*). The relevant CT600 boxes are populated automatically, including the repayment boxes when a carry-back produces one, and the computation document shows the loss memo so you (or your accountant) can see exactly what was used, where, and what remains.

A profitable year like the example in this guide leaves the inputs at zero throughout — you only need them when losses exist.

UK property income and losses (boxes 190 and 250)

Mark rental income and letting costs as UK property in the P & L, and Tax Optimiser reports the property business in boxes 190, 805 and 250 - separately from the trade.

IN SHORT

- Use the Type dropdown on each P & L line: Trade or UK property
- Box 190 is the net property profit, not the gross rents
- A property business's capital allowances reduce box 190 and go in boxes 733-755, not 690-730
- A property loss goes to box 805 and is relieved against total profits in box 250
- Enter unrelieved property losses from earlier years in the Losses section
- Brought-forward property losses can be held back so a non-trading deficit is claimed first in box 260
- Property costs leave the trade computation; box 155 stays trade-only

A company that lets out property has a **UK property business** alongside (or instead of) its trade. Corporation Tax treats the two separately: rents less the costs of letting are taxed as a property business (CT600 box 190), not as trading profit, and a property loss has its own relief (boxes 805 and 250). Tax Optimiser handles all of this once you tell it which profit-and-loss lines belong to the property business.

When a company has a property business

If the trial balance contains rental income — from a buy-to-let, a commercial unit, or space sub-let in the company's own premises — that income and the costs of earning it (agent fees, repairs, insurance, ground rent, mortgage interest on the let property) form a property business. The rule of thumb: *anything that would stop if the letting stopped* belongs to the property business; everything else is the trade.

Two things do *not* make a property business: rent the company *pays* for its own premises (a trade expense), and one-off profits on selling a property (a chargeable gain).

Mark the P & L lines as UK property

Open **Corp Tax Calculations** and go to the **P & L** section. Every turnover, cost-of-sales and expense line has a **Type** dropdown — **Trade** or **UK property**. Set the rental income line and each property cost line to **UK property**. The change saves straight away and the lines regroup under **Property income** and **Property expenses**, with the net result shown beneath them.

Profit & Loss

☐ Detailed view

	TYPE i	£	£	DISALLOWABLE BOX 155
TURNOVER BOX 145				
Sales	Trade ▼		450000.00	0
OTHER OPERATING INCOME BOX 155				
Bank interest receivable			800.00	0
PROPERTY INCOME BOX 190				
Rental income	UK property ▼		12000.00	
PROPERTY EXPENSES BOX 190				
Repairs and maintenance	UK property ▼	4000.00		
UK property business profit Box 190			8,000.00	
COST OF SALES BOX 155				
Purchases	Trade ▼		-210000.00	0
EXPENSES BOX 155				
Rent	Trade ▼	24000.00		0
General office expenses	Trade ▼	6300.00		0
Motor expenses	Trade ▼	2800.00		0
Computer costs	Trade ▼	3600.00		0
Charitable Donations	Trade ▼	1000.00		0
Accountancy fees	Trade ▼	2400.00		0
Client Entertaining	Trade ▼	3200.00		0
Insurance	Trade ▼	1900.00		0
Travel and subsistence	Trade ▼	4100.00		0
Depreciation	Trade ▼	7500.00		0

Telephone	Trade ▼	1200.00	0
Advertising and marketing	Trade ▼	5800.00	0
Wages and salaries	Trade ▼	95000.00	0

● All changes saved

Discard Save

The **Rental income** account in the standard chart of accounts is already typed as UK property, so if you posted rents there you only need to mark the cost lines. Any account can be retyped at any time; the typing is remembered for the period.

Property expense lines have a **Disallowable** box just like trade lines. Enter the non-deductible part of a cost there — depreciation is the usual example — and it is added back in computing the property business result, not the trading profit.

Capital allowances of a property business

Plant and machinery used in the letting business — tools and equipment for maintaining the properties, a van used to get to them, furniture in commercial lets — qualifies for capital allowances in the *property* business, not the trade. The allowances are an expense of the property business and any balancing charge is a receipt of it, so they reduce box 190 (or increase the loss in box 805) and are reported on the CT600 in the boxes for allowances *not* included in trading profits: the annual investment allowance in **box 735**, writing-down allowances in **box 750**, balancing charges in **box 755**, and full expensing, structures and buildings, super-deduction and the 50% first-year allowance in boxes 733, 736, 741 and 743.

Which business claims the allowances is set at the top of the **Assets** section under **Capital allowances claimed by**. Left on **Automatic**, a company whose P & L lines are *all* typed UK property claims them in the property business; a company that also trades keeps them in the trade. Choose **UK property business** or **Trade** to override that for the period — the choice covers all of the period's pools, so a company whose assets are split between a trade and a property business needs to claim them in whichever business uses the bulk of them.

Worked example: rents £30,000, property costs £8,000 and £12,000 of maintenance tools and a van covered by the annual investment allowance — box 190 shows £10,000, box 735 shows £12,000, and box 155 and box 690 stay at nil.

What happens in the computation

Marking the lines moves them out of the trade: on the **Accounts Adjustments** schedule the property receipts are deducted and the property costs added back, so the trading profit (and box 145 turnover, box 155 trading profit) contains only the trade. The property business gets its own schedule showing receipts, expenses and the net result.

ended 30 June 2026

D1 UK Property Business

		Period to 30/06/2026
		£
Property income per accounts	C1	12,000
Less: property expenses per accounts	C1	<u>(4,000)</u>
Property business profit		<u>8,000</u>
Property business losses		
Losses brought forward		2,500
Loss arising in the period		-
Set against total profits of the period (CTA 2010 s62)	A3	<u>(2,500)</u>
Losses carried forward		<u>-</u>

A net **profit** goes to **box 190** and is added to the trade profit in profits chargeable. It is the net figure, not the gross rents — HMRC's box 190 is the profit of the property business after its own expenses.

Property losses: boxes 805 and 250

If the property costs exceed the rents, the property business has made a loss. It is reported as the loss arising in **box 805** and, because a company's property loss is set against its *total* profits of the same period automatically, the amount used appears in **box 250**. Anything that cannot be used (because there were not enough profits) carries forward and is set against the next period's total profits in the same way.

Losses brought forward from earlier periods are entered in the **Losses** section under **UK property business losses**: put the unrelieved balance in **UK Property Loss B/F**. The section shows the property result for the period, the loss arising, the amount set against total profits (box 250) and the balance carried forward.

Losses

LOSS MOVEMENT

Profit/(loss) per accounts	£90,000
Tax-adjusted trading profit/(loss) i	£82,000
Losses brought forward	—
Used against total profits this period Box 285	—
Losses carried forward	—

Only the amounts actually used appear on the CT600 (boxes 160 and 285) – the form has no box for the brought-forward pool itself. The unused balance carries forward automatically and is shown in the computation's Losses and Carried Forward Amounts sections.

UK PROPERTY BUSINESS LOSSES

Property business profit/(loss) this period i	£8,000
Property losses brought forward	£2,500
Set against total profits Box 250	(£2,500)
Property losses carried forward	—

UK Property Loss B/F Box 250 i

PERIOD ENDING 30/06/2026

Trading Loss B/F (pre 1 April 2017) Box 160 i	0.00
Trading Loss B/F Amount Box 285 i	0.00
Trading Loss Carried Back Box 45 i	0.00
Trading Loss Brought Back Boxes 275/280 i	0.00
Trading Loss Carried Forward i	0.00

● All changes saved

Discard

Save

The relief is capped at the profits available, and it ranks before post-2017 trading losses brought forward (box 285) and before charitable donations, so those reliefs see the profit that is left after the property loss. Worked example: trade profit £35,000, rents £8,000, property costs £14,000 – the £6,000 property loss goes in box 805, box 250 relieves £6,000 and profits chargeable are £29,000. With the same trade profit and a £3,000 property profit plus £5,000 of losses brought forward, box 190 shows £3,000, box 250 relieves £5,000 and profits chargeable are £33,000.

Property losses are also set off before a non-trading loan relationship deficit (box 260). So a large pool of property losses brought forward can use up all the profits and leave box 260 blank. If you'd rather use the deficit first, tick **Claim this period's deficit before brought-forward property losses** on the Losses section. This claims that some of the brought-forward property losses are not used this period (CTA 2010 s62). Box 250 goes down by the amount of the deficit, box 260 goes up by the same amount, and the property losses held back are added to the losses carried forward. A property loss arising in this period is always used in full. The *Losses guide* has a worked example.

Long periods

When the accounts run longer than twelve months and the return is split into two periods, the property result is apportioned to each period by days, each period's loss is relieved against that period's total profits, and any balance unused in Period 1 is brought into Period 2 automatically — there is no separate Period 2 input.

Checking the CT600

The **CT600 Boxes** section shows the property figures in place: box 190 in Income, box 250 in Deductions and reliefs, and box 805 in Losses, deficits and excess amounts. Each row links back to the section that drives it.

Switch Organisations

Alex Example

Example Trading Ltd

YE-2026

01/07/2025 – 30/06/2026

BETA

Overview

Trial Balance

View Accounts

Companies House Submission

Corp Tax Calculations

Corp Tax Submission

Back to Accounting Periods

Computation Document

Xbrl ready to export

CT600 Document

PDF ready to file with HMRC

140

Disclosure of Tax Avoidance Schemes - form CT600J

—

?

141

Restitution tax - form CT600K

—

?

142

Research and Development - form CT600L

—

?

143

Freeports and Investment Zones - form CT600M

—

?

144

Residential Property Developer Tax - form CT600N

—

?

TURNOVER

Box	Description	Value	Help
145	Total turnover from trade	£450,000	?
150	No recognised turnover (banks, building societies, insurance and other financial concerns)	—	?

INCOME

Box	Description	Value	Help
155	Trading profits	£82,000	?
160	Trading losses brought forward set against trading profits	—	?
165	Net trading profits	£82,000	?
170	Bank and other interest, and profits from non-trading loan relationships	—	?
172	Box 170 is net of carrying back a deficit from a later period	—	?
175	Annual payments not otherwise charged to Corporation Tax	—	?
180	Non-exempt dividends or distributions from non-UK resident companies	—	?
185	Income from which Income Tax has been deducted	—	?
190	Income from a property business	£8,000	?
195	Non-trading gains on intangible fixed assets	—	?
200	Tonnage tax profits	—	?
205	Income not falling under any other heading	—	?

CHARGEABLE GAINS

Box	Description	Value	Help
210	Gross chargeable gains	—	?
215	Allowable losses including losses brought forward	—	?
220	Net chargeable gains	—	?

PROFITS BEFORE OTHER DEDUCTIONS AND RELIEFS

Box	Description	Value	Help
225	Losses brought forward against certain investment income	—	?
230	Non-trade deficits on loan relationships brought forward	—	?
235	Profits before other deductions and reliefs	£90,000	?

DEDUCTIONS AND RELIEFS

Box	Description	Value	Help
240	Losses on unquoted shares	—	?
245	Management expenses	—	?
250	UK property business losses for this or previous accounting period	£2,500	?
255	Capital allowances for the purposes of management of the business	—	?

For the official notes see the *box 190*, *box 250* and *box 805* entries in the box-by-box guide.

Reviewing the computation, accounts and CT600

Read the cross-referenced computation, finish the statutory accounts, and clear the validation checks.

IN SHORT

- All documents regenerate instantly when data changes
- Every computation figure traces to a lettered schedule
- Directors and the balance-sheet signatory are set in View Accounts
- Validation links each issue to the screen that fixes it
- Full and filleted account sets both download as iXBRL or PDF

Before anything is filed, three documents deserve a careful read: the Corporation Tax computation, the statutory accounts, and the CT600 itself. All three are generated live from your data, so a fix anywhere — a trial balance line, a disallowable, an asset date — regenerates them instantly.

The computation document

Open it from the **Output Documents** card in Corp Tax Calculations (it's also embedded in the submission flow). It's a fully cross-referenced computation: A-schedules for the tax (including the marginal relief working, financial-year by financial-year), B1 for the adjustment of profit, C-schedules itemising each add-back, and D-schedules for capital allowances. Every figure traces back to a schedule reference, which makes review — and any conversation with HMRC — far easier.

Example Trading Ltd
ended 30 June 2025

A1 Corporation Tax

		Period to Profit 30/06/2025
Corporation tax FY2024 25%	A3	59,079 14,769.75
Corporation tax FY2025 25%	A3	<u>19,621</u> 4,905.25
Marginal relief	A4	(2569.50)
Corporation tax payable	A2	<u>17,105.50</u>

Example Trading Ltd
ended 30 June 2025

B1 Accounts Adjustments

Profit per accounts	C1	£ 82,000
Accounting Disallowable Expenditure Addback		
Donations		1,000
Client Entertaining		3,200
Depreciation		7,500
Capital allowances	D2	<u>(14,000)</u>
Adjusted profit		<u>79,700</u>
	A3	

The statutory accounts

Open **View Accounts** from the period menu. The accounts render as they will file – with a DRAFT watermark until they're signed off. Use the *Contents* list to jump between pages and the *Actions* panel to complete the

supporting information:

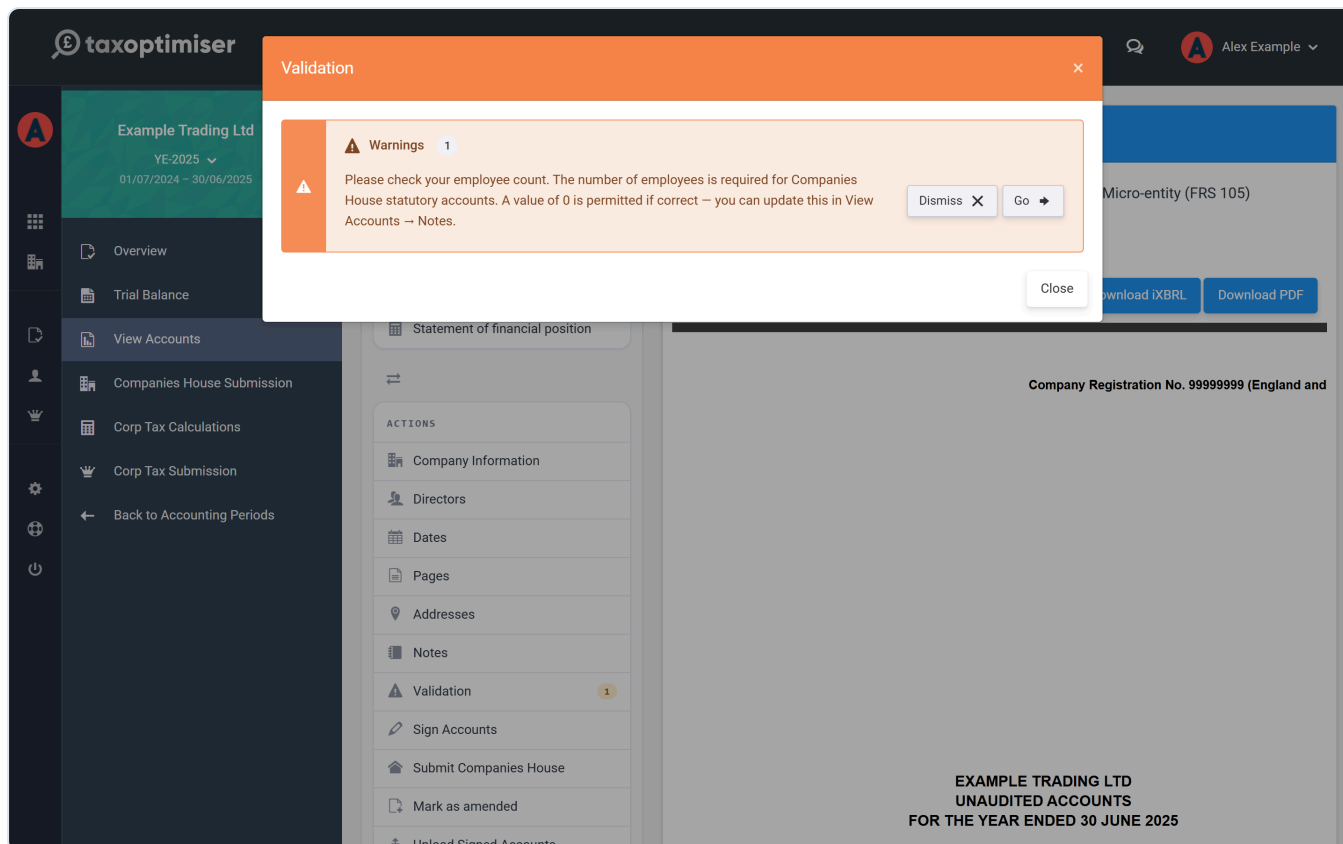
- **Company Information, Dates, Addresses and Pages** — cover-page and report details.
- **Directors** — add the directors who served in the year, and mark who signs the balance sheet.
- **Notes** — the accounts notes, including the employee count Companies House requires.

The **Account Set Type** switch toggles between the full members' accounts and the filleted set filed at Companies House, and both are downloadable as iXBRL or PDF at any time.

The screenshot displays the 'taxoptimiser' web application. The top navigation bar includes a 'Switch Organisations' button and a user profile for 'Alex Example'. The left sidebar contains a menu with options like 'Overview', 'Trial Balance', 'View Accounts' (selected), 'Companies House Submission', 'Corp Tax Calculations', 'Corp Tax Submission', and 'Back to Accounting Periods'. The main content area is titled 'View Accounts' and shows details for 'Example Trading Ltd' for the year 'YE:2025' (01/07/2024 – 30/06/2025). It includes a 'Contents' list (Cover sheet, Table of contents, Company Information, Directors' report, Statement of financial position) and an 'Actions' list (Company Information, Directors, Dates, Pages, Addresses, Notes, Validation, Sign Accounts, Submit Companies House, Mark as amended, Upload Signed Accounts). The 'Validation' action has a yellow badge with the number '1'. The 'Account Set Type' is set to 'Companies House Fi'. There are buttons for 'Download iXBRL' and 'Download PDF'. The bottom of the screen shows the company registration number '99999999 (England and Wales)' and the text 'EXAMPLE TRADING LTD UNAUDITED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2025'.

Validation

The **Validation** action runs the pre-filing checks and explains anything that needs attention — in plain language, with a *Go* button that takes you to the screen where the fix lives. Warnings (like confirming a zero employee count) can be reviewed and dismissed; errors block submission until resolved.



The CT600

The CT600 PDF – the actual return form, box by box – is available from the **Output Documents** card and is embedded for a final read in the submission flow, which the next article walks through. If your previous filing was made elsewhere, **Import CT600** on the CT600 screen lets you load and compare it.

Submitting to HMRC and Companies House

Sign the accounts, clear the pre-flight checks, and file to HMRC and Companies House through the guided wizards.

IN SHORT

- One payment per period unlocks both HMRC and Companies House filing
- Set the directors' signage date on the computation first - the wizards will not send without it
- Auth code and presenter credentials are needed for Companies House
- Final accounts and computation are embedded for a last review
- Acceptance is tracked automatically; lock the period afterwards

With the computation reviewed and the accounts finished, two filings remain: the CT600 with accounts and computation attached goes to HMRC, and the (usually filleted) accounts go to Companies House. Both run as guided wizards from the period menu.

One payment unlocks both filings

The first time you open either submission for a period you're asked for the per-period submission fee. A single payment, made securely through Stripe, unlocks both the HMRC and Companies House filings for that accounting period.

The screenshot shows the Tax Optimiser web application interface. On the left is a dark sidebar with the user's name 'Alex Example' and company 'Example Trading Ltd'. Below this are sections for 'WORKSPACE' (Dashboard, Organisation), 'TAX SERVICES' (Accounts and Corp Tax, MTD ITSA, VAT), and 'SYSTEM' (Settings, Other Users, User Profile, Change Password, 2 Factor Auth, Billing, Help Centre, Logout). The 'Billing' option is highlighted. The main content area displays a 'SECURE CHECKOUT' modal titled 'Pay to submit this period'. It explains that a single payment unlocks CorpTax and Companies House filing. The modal shows a 'Submission fee' of £10.00 (Standard) and 'VAT (20%)' of £2.00, resulting in a 'Total due today' of £12.00. Below this are payment options: VISA, Mastercard, AMEX, Apple Pay, and Google Pay. A large blue button says 'Continue to secure checkout · £12.00'. A link for 'Cancel and return' is also present. At the bottom, a note states: 'Payments are processed securely by Stripe. We never see your card details.' The footer of the application shows '© 2026. Powered by Tax Optimiser v1.0.0.10 | Leave a review'.

Before you can send

The wizards start by checking the period is actually ready, and list anything outstanding with a button next to each item:

- **Directors' signage date** — the date the directors approved the accounts (CT600 box 980). Set it on the **General** section of Corp Tax Calculations; *Set on computation* takes you there. It is required and cannot be overridden. Use **Sign Accounts** in View Accounts to record the approval on the accounts themselves.
- **Companies House authentication code** — the 6-character code Companies House posts to the registered office (the *How to obtain* link covers requesting one).
- **Presenter ID and password** — your Companies House presenter account for software filing (*How to apply* explains the one-off registration). Accountant firms set this once at firm level.
- **Government Gateway credentials** — for the HMRC side, entered in Organisation settings.

Corporation Tax Submission

Errors Verification Review Document Review Calculation Send Tax Return

The directors' signage date has not been set. It is required before this return can be submitted and cannot be overridden. Set it on the [Corporation Tax computation](#) (General tab).

HMRC Government Gateway credentials Missing [Add credentials](#) [How to obtain](#)

Corporation Tax UTR 1111111111 [Update](#) [How to find](#)

Director Signage Date Required [Set on computation](#)

Company Type Not applicable

Director Accepting the Declaration Selected Alex Example

Amended return ☐ This is an amended submission

Account Status Draft — the accounts will be marked final when you continue.

Sign Accounts

Director Alex Example 15/09/2025

Sign here

Submit Signature Close

Company Information

- Directors
- Dates
- Pages
- Addresses
- Notes
- Validation 1
- Sign Accounts
- Submit Companies House
- Mark as amended
- Upload Signed Accounts

EXAMPLE TRADING LTD
UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2025

The HMRC wizard

Draft accounts no longer hold you up: when you move on from the first step, the wizard takes the accounts out of draft for you, so a DRAFT banner is never filed.

Corp Tax Submission walks five steps: *Errors*, *Verification*, *Review Document*, *Review Calculation* and *Send Tax Return*. Verification asks you to confirm the client has approved the accounts; the two review steps embed the final accounts and computation for a last read; the send step confirms the company type and the **director accepting the declaration**, then transmits the CT600 with iXBRL accounts and computation attached to HMRC.

A

taxoptimiser

Switch Organisations

+

🗨️

Alex Example ▾

A

Example Trading Ltd

YE-2025 ▾

01/07/2024 – 30/06/2025

Overview

Trial Balance

View Accounts

Companies House Submission

Corp Tax Calculations

Corp Tax Submission

Back to Accounting Periods

Corporation Tax Submission

Clock icon

Errors

Checkmark icon

Verification

Document icon

Review Document

Document icon

Review Calculation

Document icon

Send Tax Return

Has the client confirmed the accounts? ☐

Previous

Upload signed accounts

Next

© 2026. Powered by Tax Optimiser v1.0.0.10 | [Leave a review](#)

A

Tax Optimiser

Switch Organisations

Alex Example

A

Example Trading Ltd

YE-2025

01/07/2024 – 30/06/2025

Overview

Trial Balance

View Accounts

Companies House Submission

Corp Tax Calculations

Corp Tax Submission

Back to Accounting Periods

Corporation Tax Submission

Errors

Verification

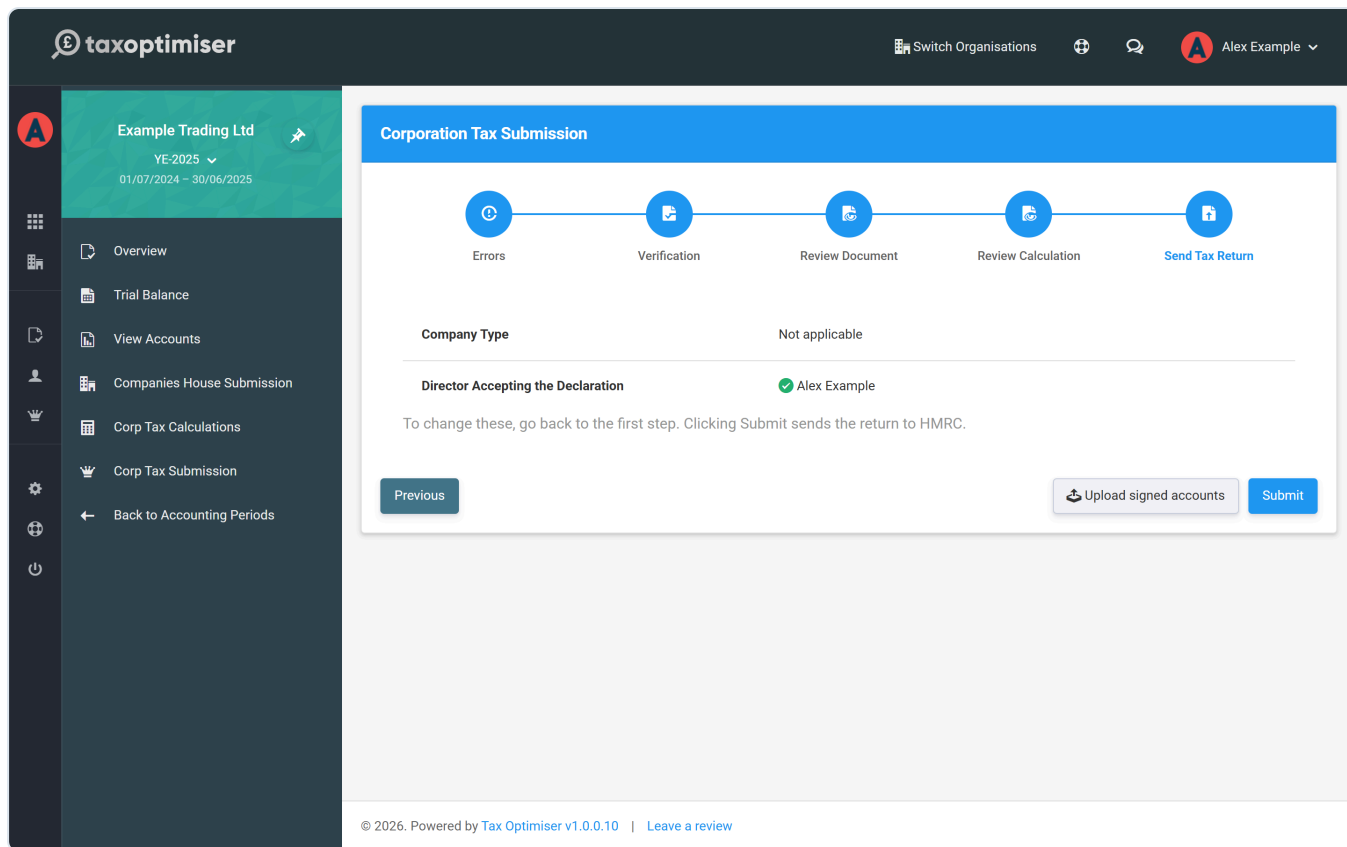
Review Document

Review Calculation

Send Tax Return

Company Registration No. 99999999 (England and Wales)

EXAMPLE TRADING LTD
ANNUAL REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2025



The Companies House wizard

Companies House Submission follows the same shape – validation, verification, review, send – filing the filled accounts electronically. Companies House processes electronic filings in minutes to hours, and the submission status on the period overview tracks acceptance automatically.

Switch Organisations

 Alex Example

Example Trading Ltd
YE-2025
01/07/2024 – 30/06/2025

Overview
Trial Balance
View Accounts
Companies House Submission
Corp Tax Calculations
Corp Tax Submission
Back to Accounting Periods

Validation
Verification
Review Document
Send Accounts

Companies House Submission Requirements

Company House Authentication Code
Required
Add Auth Code
How to obtain

Companies House Presenter ID & Password
Required
Add Presenter Details
How to apply

Director Signage Date
15 Sept 2025
View on computation

Amended submission ⓘ
☐ This is an amended submission

☐ Override validation errors and proceed anyway

Previous
Next

After sending

Each submission gets a receipt and its status is polled until HMRC or Companies House accept (or reject, with reasons shown). Once accepted, the period can be **locked** from the Overview so the filed numbers can't drift, and the dashboard deadlines update to the next period. If HMRC rejects the return, *CT600 submission errors* explains each message. If something needs correcting after acceptance, **Submit as amended** on the filed return starts an amended filing from the same data: see *Amending a CT600*.