



# Did you know?

06/2017

## Reclaiming tax paid on Loans to Participators (S455 CTA 2010) using the Loans To Participators Form (L2P)

HMRC's L2P form can be used to claim the tax refund due when all or part of a loan has been repaid. This form can either be completed using the online forms service, or printed out and posted to the tax office. Currently the online form is not intended for agents.

### When to use the L2P form

If you are reclaiming within 2 years of the end of the accounting period when the loan was taken out, you can use the CT600A to submit an amended return online. You can use the L2P form instead if either:

- The tax return is for a different accounting period than the one when the loan was taken, or
- You are amending your tax return in writing

Otherwise, if you are reclaiming 2 years or more after the end of the accounting period when the loan was taken out then you should complete the L2P form and:

- Include it with the latest company tax return or
- Post it separately

### Completing the form

Below is an example of how to generate the L2P form within Alphatax.

When entering a repayment of all or part of a loan, a **Complete form L2P** column will display with a flag for the relevant loans. Once flagged as **Yes**, the accessory form will be updated to include all inputs required to populate the L2P form, or where to find them in the computation.

**All** the entries in the L2P section of the accessory statement are required and the printing of the L2P form will not be enabled until done so. Once all the information has been input and the screen display refreshed (press F7 twice), the Information complete field will change to Yes, and you will be able to print the form.

The L2P form will then be included in the **File – Print** menu options, and if selected, an L2P form for each repayment that has the flag Information complete set to Yes will be printed. Once printed and sent to HMRC, you can flag Form submitted to **Yes**. This will remove the particular loan from being printed next time round. Please refer to the Help Guide in Alphatax for further details.

If you need further information please contact the Support desk on 01784 777666 or by email to [support@taxsystems.com](mailto:support@taxsystems.com). Alternatively, supporting information can be found in the Alphatax Help Guide; simply search for Loans to Participators.