

## Summary of typical CIS return errors and required action

Type of error	What happens next?	The reason for doing this	Comments
You made an error on your return about a payment	Contact HMRC to ask them to amend your return	The original return doesn't reflect the actual payment	
You underpaid a subcontractor	No amendment needed - but you'll need to make up the shortfall in a following month	Both returns will reflect the actual payment - but the subcontractor will want all of their money	
You overpaid a subcontractor net - and you're continuing to use them	No amendment needed if you sort things out in a following month	Both returns will reflect the actual payment - but you'll probably want to square things up with your subcontractor	
You overpaid a subcontractor net, you're not using them any more - but they haven't cashed your cheque	Contact HMRC to ask them to amend your return if the cheque is returned.	The original return doesn't reflect the actual payment situation	
You overpaid a subcontractor net, you're not using them any more - and they've cashed your cheque	Unless and until you recover the money HMRC cannot correct the deduction as the return reflects exactly what was paid to the subcontractor		
You forgot to take off the VAT before you worked out the deductions		Your return reflects the amount you paid.	
You got the amount for materials costs wrong	Contact HMRC to tell them about the over-deduction	The subcontractor's records will need updating	HMRC will repay the subcontractor
You paid the wrong subcontractor - but they didn't cash your cheque	Contact HMRC to ask them to amend your return	The original return doesn't reflect the actual payment situation	
You paid the wrong subcontractor - and they cashed your cheque	Only contact HMRC if and when the money is repaid.	The original return reflects the right payment amount but to the wrong person	
A subcontractor you paid never cashed your cheque	As long as you made a new payment, you can leave things as they are on the original return		

<b>Type of error</b>	<b>What happens next?</b>	<b>The reason for doing this</b>	<b>Comments</b>
You made a deduction at the wrong rate	Follow the rules for overpayments or underpayments - as appropriate - and contact HMRC to let them know	The original return should reflect what you actually paid.	HMRC will repay the subcontractor if appropriate

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