

Four million still to file ahead of Self Assessment deadline

Four million customers are yet to submit their completed Self Assessment tax return and pay any tax owed ahead of the deadline on 31 January, HM Revenue and Customs (HMRC) has warned.

More than 12.2 million customers are expected to complete a tax return for the 2020 to 2021 tax year.

HMRC is urging the millions of customers still to file their tax return, pay any outstanding liabilities or set up a payment plan, to do so ahead of the deadline as interest will be applied to all outstanding balances from 1 February.

However, earlier this month, HMRC announced they would waive penalties for one month for late filing of tax returns and late payments. The changes mean:

- anyone who cannot file their return by the 31 January deadline will not receive a late filing penalty if they file by 28 February
- anyone who cannot pay their tax liabilities by the 31 January deadline will not receive a late payment penalty if they pay their tax in full, or set up a time to pay arrangement, by 1 April

Myrtle Lloyd, HMRC's Director General for Customer Services, said:

We know some customers may struggle to meet the Self Assessment deadline on 31 January which is why we have waived penalties for one month, giving them extra time to meet their obligations.

And if anyone is worried about paying their tax bill, they can set up a monthly payment plan online – search 'pay my Self Assessment' on GOV.UK.

HMRC is offering support to customers completing their tax return. Anyone who is yet to file their return can [book a place to access live webinars](#), running throughout January on GOV.UK. Alternatively, recordings are available on GOV.UK. In addition, HMRC has produced resources to help customers meet their obligations including [YouTube videos](#) and [Self Assessment guidance](#) on GOV.UK.

There are no changes to HMRC's Self Assessment helpline opening times. The telephony service will not open on Saturday 29 or Sunday 30 January and will operate as normal until 6pm on Monday 31 January.

The existing Time to Pay service allows any individual or business who needs it the option to [spread their tax payments over time](#). Self Assessment taxpayers with up to £30,000 of tax debt can do this online once they have filed their return.

If customers owe more than £30,000, or need longer to pay, they should call the Self Assessment Payment Helpline on 0300 200 3822.

A full list of the payment methods taxpayers can use to [pay their Self Assessment tax bill](#) is available on GOV.UK.

The 2020 to 2021 tax return covers earnings and payments during the pandemic. Taxpayers will need to declare [if they received any grants or payments from the COVID-19 support schemes](#) up to 5 April 2021 on their Self Assessment, as these are taxable, including:

- Self-Employment Income Support Scheme
- Coronavirus Job Retention Scheme
- other COVID-19 grants and support payments such as self-isolation payments, local authority grants and those for the Eat Out to Help Out scheme

The £500 one-off payment for working households receiving tax credits should not be reported in Self Assessment.

It is important that customers [check and make any changes to their tax return](#) to make sure any SEISS or other COVID-19 support payments have been reported correctly in their Self Assessment.

HMRC urges everyone to be alert if they are contacted out of the blue by someone asking for money or personal information. Taxpayers should always type in the full online address www.gov.uk/hmrc to get the correct link for filing their Self Assessment return online securely and free of charge. HMRC sees high numbers of fraudsters emailing, calling or texting people claiming to be from the department. If in doubt, HMRC advises not to reply directly to anything suspicious, but to contact them straight away and to [search GOV.UK for 'HMRC scams'](#).

Normally, late filing penalties are applied to all returns due on but filed after the 31 January deadline. Those penalties are cancelled if the taxpayer has a reasonable excuse for filing late. However, this year, like last year, HMRC is not charging late filing penalties for a month to help taxpayers and agents who are unable to meet the deadline. Late filing penalties will not be charged for online tax returns received by 28 February.

The payment deadline for Self Assessment is 31 January and interest will be charged from 1 February on all amounts outstanding. Normally a 5% late payment penalty is charged on any unpaid tax that is still outstanding on 3 March. This year, like last year, HMRC is giving taxpayers more time to pay or set up a payment plan. Self Assessment taxpayers will not be charged the 5% late payment penalty if they pay their tax or set up a payment plan by midnight on 1 April. They can pay their tax bill or set up a Time to Pay arrangement online at GOV.UK.

Self Assessment timeline:

- 31 January – Self Assessment deadline (filing and payment)
- 1 February – interest accrues on any outstanding tax bills

- 28 February – last date to file any late online tax returns to avoid a late filing penalty
- 1 April – last date to pay any outstanding tax or make a Time to Pay arrangement, to avoid a late payment penalty
- 1 April – last date to set up a self-serve Time to Pay arrangement online

There is no change to the filing or payment deadline and other obligations are not affected. This means that:

- interest will be charged on late payment. The late payment interest rate is 2.75%
- a return received online in February will be treated as a return received late, with a valid reasonable excuse for the lateness. This means that:
 1. there will be an extended enquiry window
 2. for returns filed after 28 February the other late filing penalties (daily penalties from 3 months, 6 and 12 month penalties) will operate as usual
 3. a 5% late payment penalty will be charged if tax remains outstanding, and a payment plan has not been set up, by midnight on 1 April 2022. Further late payment penalties will be charged at the usual 6 and 12 month points (August 2022 and February 2023 respectively) on tax outstanding where a payment plan has not been set up
- we will not charge late filing penalties for SA700s and SA970s received in February. These returns can only be filed on paper
- for SA800s and SA900s we will not charge a late filing penalty if taxpayers file online by the end of February. The deadline for filing SA800s and SA900s on paper was 31 October. Taxpayers who file late on paper will be charged a late filing penalty in the normal way. They can appeal against this penalty if they have a reasonable excuse for filing their paper return late

Taxpayers who are required to make Payments on Account, and know their bill is going to be lower than the previous tax year, for example due to loss of earnings because of COVID-19, can reduce their Payments on Account. Visit GOV.UK to [find out more about Payments on Account and how to reduce them](#).

Where tax credits customers are unable to report their final/actual income for the 2020 to 2021 tax year by 31 January 2022, they should report the figure as soon as possible after 31 January. In most cases HMRC will update the income used to calculate finalised entitlement to tax credits if the delay is due to the impact of COVID-19.

Self-employed taxpayers who need to claim certain contributory benefits soon after 31 January need to ensure their annual Class 2 National Insurance Contributions (NICs) are paid on time. This is to make sure their claims are unaffected. Class 2 NICs are included in the 2020 to 2021 Balancing Payment that is due to be paid by 31 January 2022. Benefit entitlements may be affected if they:

- couldn't pay their Balancing Payment by 31 January 2022
- have entered into a Time to Pay arrangement to pay off the Balancing Payment and other self assessment tax liabilities through instalments
- affected taxpayers should contact HMRC on 0300 200 3822 for help as soon as possible

Self- employed customers who have profits below £6,475 in the 2020 to 2021 tax year and want to pay voluntary Class 2 NICs for Contributory Benefit after 31 January 2022 or paid voluntary Class 2 NICs via Self Assessment before 31 January 2022 but will not file their return until after 31 January will need to contact HMRC on 0300 200 3500 for assistance.

Individuals and organisations can protect their online accounts and devices by using the National Cyber Security Centre's six Cyber Aware behaviours:

- use a strong and separate password for your email
- create strong passwords using 3 random words
- save your passwords in your browser
- turn on two-factor authentication (2 FA)
- update your devices and apps
- back up your data

More information on the [Cyber Aware campaign](#)