

More help for Self Assessment taxpayers

Self Assessment taxpayers will not be charged a 5% late payment penalty if they pay their tax or set up a payment plan by 1 April 2021, HM Revenue and Customs (HMRC) has announced.

The payment deadline for Self Assessment is 31 January and interest is charged from 1 February on any amounts outstanding. Normally, a 5% late payment penalty is also charged on any unpaid tax that is still outstanding on 3 March. But this year, because of the impact of the COVID-19 pandemic, HMRC is giving taxpayers more time to pay or set up a payment plan.

Taxpayers can pay their tax bill or set up a monthly payment plan online at GOV.UK. They need to do this by midnight on 1 April to prevent being charged a late payment penalty.

The online Time to Pay facility allows taxpayers to spread the cost of their Self Assessment tax bill into monthly instalments until January 2022.

HMRC recognises the pressure affecting taxpayers due to the pandemic, and encourages anyone worried about paying their tax and unable to set up a payment plan online to contact HMRC for help and support on 0300 200 3822.

More than 97,260 customers have set up a self-serve Time to Pay arrangement online, totalling more than £367 million.

Jim Harra, HMRC's Chief Executive, said:

Anyone worried about paying their tax can set up a payment plan to spread the cost into monthly instalments. Support is available at GOV.UK to help anyone struggling to meet their obligations.

There are several ways that taxpayers can [pay their Self Assessment tax bill](#) in full. They can pay online, via their bank, or by post.

Taxpayers should still pay in full if they can. This is the only way to stop interest accruing.

Self Assessment taxpayers who are required to make Payments on Account, and know their 2020 to 2021 tax bill is going to be lower than in 2019 to 2020 – 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](#).

Self Assessment taxpayers who have yet to file their 2019 to 2020 tax return should file by 28 February to prevent being charged a late filing penalty of £100.

Be aware of copycat HMRC websites and phishing scams. taxpayers should search 'self assessment' on GOV.UK to get the correct link for their Self Assessment tax return online securely and free of charge. They also need to be alert if someone calls, emails or texts claiming to be from HMRC, saying that they can claim financial help, are due a tax refund or owe tax. It might be a scam. Check GOV.UK for information on [how to recognise genuine HMRC contact](#).

Visit GOV.UK to [find out more about Self Assessment](#).

This announcement is in addition to last month's announcement that HMRC will not charge late filing penalties for returns filed online by 28 February. That announcement related to filing of Self Assessment returns and is unaffected by today's announcement which relates to paying Self Assessment liabilities.

This is the first time HMRC has delayed the charging of penalties for late payment of Self Assessment liabilities

Self Assessment timeline:

- 31 January – Self Assessment deadline (paying and filing)
- 1 February – interest accrues on any outstanding tax bills
- 28 February – last date to file any late 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

The Self-serve Time to Pay data referenced is for online payment plans created between 1 October 2020 and 17 February 2021.

Self-serve Time to Pay allows taxpayers to set up a payment plan online to help them manage the cost of their tax bill up to £30,000. Customers will be able to pay their tax bill in monthly instalments, up to January 2022.

If someone's Self Assessment debts are more than £30,000, or they need longer to pay a debt in full, they cannot set up a Time to Pay arrangement online. But they may still be able to set up a Time to Pay arrangement by calling the Self Assessment Payment Helpline on 0300 200 3822.

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

- the payment deadline remains 31 January and interest will be charged on late payment. The current rate of late payment interest is 2.6%
- 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 2021. Further late payment penalties are charged at 6 and 12 months (August 2021 and February 2022 respectively), on tax outstanding where a payment plan has not been set up

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