More than 142,000 use online payment plans to pay their Self Assessment tax bill

More than 142,000 customers have used HMRC's online Time to Pay facility to spread the cost of their Self Assessment tax bill since April 2021, HM Revenue and Customs (HMRC) has revealed.

The Self Assessment deadline for 2020 to 2021 tax returns was 31 January but, this year, HMRC gave customers until 1 April to pay any tax owed and not face penalties.

Customers who were unable to pay in full but had a tax bill under £30,000 could use the online Time to Pay service to spread the cost into manageable monthly instalments. Those who owed more than £30,000 or needed longer to pay could still use Time to Pay but they had to contact HMRC to arrange it.

Since April 2021, Self Assessment customers have used this service to pay tax worth almost £475 million in instalments.

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

"I'd like to thank the millions of customers and agents who have sent us their tax returns and paid their tax bills."

Any Self Assessment customers who did not pay their outstanding tax by 1 April will now face a 5% late payment penalty on any outstanding tax.

Customers wishing to file their 2021/22 tax return can do so from 6 April 2022. Last year, more than 63,500 customers filed their 2020 to 2021 tax return on the first day of the tax year.

Find out more about Self Assessment.

From 1 February 2022, all outstanding amounts were subject to interest.

Latest self-serve Time to Pay figures are for arrangements set up in the 2021 to 2022 tax year and are up to to 3 April 2022.

A 5% late payment penalty was set to be charged if tax remained outstanding, and a payment plan had 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.

11.3 million customers filed their 2020 to 2021 tax return by 28 February 2022.