

News story: HMRC to review High Income Child Benefit Charge penalty cases

HMRC has announced that it is reviewing cases where a 'Failure to Notify' penalty was issued for the tax years 2013 to 2014, 2014 to 2015, and 2015 to 2016, to customers who did not register for the [High Income Child Benefit Charge](#).

The department will review cases for these years and issue penalty refunds if it finds the customer had a reasonable excuse for not meeting their tax obligation.

A reasonable excuse is something that stopped someone from meeting a tax obligation which they took appropriate care to meet. Decisions on what constitutes a reasonable excuse are based on an objective assessment of individual circumstances.

Normally customers have to explain why they have a reasonable excuse, however following feedback HMRC is proactively reviewing these cases.

This will include families who made a claim for Child Benefit before High Income Child Benefit Charge was introduced, and where one partner's income subsequently increased to over £50,000 in or after the 2013 to 2014 tax year. This is because the higher earner in a household who pays the charge may not be the same person claiming Child Benefit on behalf of the household.

The review will not include anyone who received communications from HMRC about High Income Child Benefit Charge or claimed Child Benefit after the charge was introduced in 2012 to 2013.

Alongside this, HMRC is already writing to customers who might be liable to High Income Child Benefit Charge in 2016 to 2017 and 2017 to 2018, to help them meet their tax obligations in time to avoid paying a penalty.

An HMRC spokesperson said:

HMRC is listening to customers and stakeholders, and reviewing our approach to HICBC to ensure we are treating everyone fairly.

Customers do not need to ask for a penalty refund or contact HMRC. We will issue the refunds, where due, over the next six months.