

Business Tax

Updated VAT Deferral Guidance

On 1 July 2020, the [guidance](#) was updated with information about the VAT payments deferral scheme ending on 30 June 2020.

Updated 1 July 2020

VAT Deferral End Date

- HMRC [guidance](#) has been updated to reflect that the VAT payment deferral period will end on 30 June 2020.
- Businesses should set up cancelled direct debits in enough time for HMRC to take payment, submit VAT returns as normal, and on time, make VAT payments due after 30 June 2020 in full.
- VAT payments for any amounts deferred between 20 March and 30 June 2020 must be paid to HMRC on or before 31 March 2021.

Updated 19 June 2020

Updated VAT Deferral Guidance

Government have updated the guidance on deferring VAT payments to confirm that only the following payments can be deferred:

- quarterly and monthly VAT returns' payments for the periods ending in February, March and April
- payments on account due between 20 March 2020 and 30 June 2020
- annual accounting advance payments due between 20 March 2020 and 30 June 2020
- The deferral does not cover payments for VAT MOSS or import VAT.
- Repayments will not be offset against any deferred VAT, but they will be offset against existing debts.
- If you choose to defer your VAT payment as a result of coronavirus, you must pay the VAT due on or before 31 March 2021.

View the updated guidance [here](#).

Updated 27 April 2020

VAT Deferral



- HMRC have issued guidance setting out the process for deferring VAT payments for three months under Making Tax Digital (MTD).
- VAT deferral is available to all UK VAT registered businesses for a three-month period from 20 March 2020 and 30 June 2020.
- HMRC will continue to process VAT reclaims and refunds as normal during this time.
- HMRC's [guidance](#) on VAT referral will need to be used alongside [VAT Notice 700/22](#) to ensure full compliance with MTD.
- HMRC will not charge interest or penalties on any amount deferred.
- You will still need to submit your VAT returns to HMRC on time but will not be required to make the payment if you choose to defer.
- HMRC has also deferred MTD's mandatory requirement to report through digital links until their first VAT return period starting on or after April 2021.

Updated 15 April 2020

Initial Guidance

- **VAT**
 - Government have deferred Valued Added Tax (VAT) payments for 3 months. This is an automatic decision and will not require businesses to apply
 - The deferral will apply from 20 March 2020 until 30 June 2020
- **Income Tax**
 - If you're self-employed, Income Tax payments due in July 2020 under the Self-Assessment system will be deferred to January 2021
- **Payment Issues and Time to Pay**
 - HMRC are offering the opportunity for businesses and self-employed workers to discuss their difficulties in paying tax during this time.
 - Some businesses and self-employed may be eligible to receive support through HMRC's Time to Pay service.
 - HMRC state this will be judged on a case-by-case basis and will be tailored to individual's needs.
 - Call HMRC's helpline 0800 0159 559 to discuss if you are concerned.

View the full guidance [here](#).

Updated 27 March 2020

The information changes so rapidly and we will try our best to keep you updated but for full and accurate updates, we would recommend checking the Government website.