

Self-Assessment Enhanced Payment Plans

Self-Assessment customers can now **apply online for additional support to help spread the cost** of their tax bill into monthly payments without the need to call HM Revenue and Customs (HMRC).

The online payment plan service was already used to set up instalment arrangements for paying tax liabilities up to £10,000.



Partner Mark Mitchell

From 1 October 2020, **HMRC increased the threshold to £30,000** for Self-Assessment customers, to help ease any potential financial burden they may be experiencing due to the coronavirus pandemic.

HMRC estimates around 95% of Self-Assessment customers who are due to make payments on 31 January 2021 could qualify to **implement a Time to Pay arrangement** using the self-serve Time to Pay facility online, without needing to speak to an HMRC adviser.

Requirements

Customers who wish to set up their own self-serve Time to Pay arrangements must meet the following requirements:

They need to have no:

- outstanding tax returns
 - other tax debts
 - other HMRC payment plans set up
- the debt needs to be between £2 and £30,000
 - the payment plan needs to be set up no later than 60 days after the due date of a debt
 - Customers using self-serve Time to Pay will be required to pay any interest on the tax owed. Interest will be applied to any outstanding balance from 1 February 2021.



If your Self-Assessment debts are over £30,000, or you need longer than 12 months to pay your debt in full, you may still be able to set up a Time to Pay arrangement by calling the **Self-Assessment Payment Helpline on 0300 200 3822**.

Scam alert

Please be aware of scams claiming to be from HMRC, offering to help you set up payment plans to pay any tax owed. If you are unsure that the correspondence you received is genuine, please do not hesitate to contact us.

Please note the deadline to complete Self-Assessment tax returns for 2019 to 2020 is 31 January 2021.

For more details on time to pay arrangements visit -



<https://www.gov.uk/pay-self-assessment-tax-bill/pay-in-instalments>

If you require further information regarding this issue, please email Mark at mmitchell@thomsoncooper.com or call 01383 628800.