

UK Tax Support: VAT and Self-Assessment Income Tax Deferrals, and Scaled Up Time to Pay Scheme

March 23, 2020

(Updated on 17 April 2020)

The UK government announced deferral until 2021 of most VAT payments for the next three months and six month deferral of 31 July 2020 self-assessed income tax due from self-employed. It also sets up a dedicated helpline to improve access to its Time to Pay scheme.

As part of the package of measures announced by the UK government in recent days, no VAT (other than VAT due under the Mini One Stop Shop scheme and import VAT) will be due to HMRC from 20 March 2020 until 30 June 2020, and taxpayers will be given until the end of the 2020 to 2021 tax year to pay any liabilities that have accumulated during the deferral period. VAT refunds and reclaimers will be paid by the government as normal. Income tax payments due from the self-employed by end of July 2020 under self assessment will be deferred to January 2021. Both deferrals apply automatically with no requirement to apply for relief, and no penalties or interest for late payment will be charged in the deferral period.

HM Revenue & Customs may agree requests for extensions of the payment deadline for import VAT by registered importers and duty deferment account holders on a case-by-case basis. An explanation will be required of how COVID-19 has impacted business finances and cash flow and requests may be denied. Duty deferment account holders should contact the Duty Deferment Office on 03000 594243, [by email](#) or the COVID-19 helpline on 0800 024 1222. Registered importers should [email the Customs Debt Policy inbox](#).

In addition, HMRC have scaled up their Time to Pay service to support businesses and self-employed individuals who are in temporary financial distress as a result of COVID-19 and have outstanding tax liabilities. Taxpayers will not receive a reduction in their tax bill, but may be able to agree some breathing space as they deal with immediate cash-flow concerns. Arrangements will be agreed on a case-by-case basis and will be tailored to individual circumstances and liabilities. Taxpayers can call a new dedicated helpline to discuss their options, which may include:

- Agreeing an instalment arrangement
- Suspending debt collection proceedings
- Cancelling penalties and interest where there are administrative difficulties contacting or paying HMRC immediately

The helpline number is +44 800 0159 559 (in addition to other HMRC phone contact numbers). Opening hours are Monday to Friday 8:00 am to 8:00 pm, and Saturday 8:00 am to 4:00 pm.

Note: Updated on 17 April 2020 to reflect further announcements by HMRC.

[Coronavirus resource hub](#)

This content is provided for general informational purposes only, and your access or use of the content does not create an

attorney-client relationship between you or your organization and Cooley LLP, Cooley (UK) LLP, or any other affiliated practice or entity (collectively referred to as "Cooley"). By accessing this content, you agree that the information provided does not constitute legal or other professional advice. This content is not a substitute for obtaining legal advice from a qualified attorney licensed in your jurisdiction and you should not act or refrain from acting based on this content. This content may be changed without notice. It is not guaranteed to be complete, correct or up to date, and it may not reflect the most current legal developments. Prior results do not guarantee a similar outcome. Do not send any confidential information to Cooley, as we do not have any duty to keep any information you provide to us confidential. This content may be considered **Attorney Advertising** and is subject to our [legal notices](#).

Key Contacts

| | |
|------------------------|--|
| Natasha Kaye London | nkaye@cooley.com +44 (0) 20 7556 4339 |
| David Wilson London | dwilson@cooley.com +44 (0) 20 7556 4473 |

This information is a general description of the law; it is not intended to provide specific legal advice nor is it intended to create an attorney-client relationship with Cooley LLP. Before taking any action on this information you should seek professional counsel.

Copyright © 2023 Cooley LLP, 3175 Hanover Street, Palo Alto, CA 94304; Cooley (UK) LLP, 22 Bishopsgate, London, UK EC2N 4BQ. Permission is granted to make and redistribute, without charge, copies of this entire document provided that such copies are complete and unaltered and identify Cooley LLP as the author. All other rights reserved.