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Factsheet for case GB-2020-12/537

Tax Deferrals Self-Assessment July 2020 Payment on Account

Factsheet generated on 24 April 2020, 18:50

Country	United Kingdom, applies nationwide
Time period	Temporary, 17 March 2020 - 31 January 2021
Type	Legislation or other statutory regulation
Category	Measures to prevent social hardship – Preventing indebtedness
Case created	13 April 2020 (updated 20 April 2020)

Background Information

Generally individuals, including the self-employed, who file an annual tax return under self assessment are required to make two 'payments of account' during the year, which are advance payments on their tax bill: by 31 January and by 31 July. However, in his statement on the 20 March, the Chancellor announced that Chancellor announced that the next self-assessment payments would be deferred until January 2021.

The self assessment payment on account, that is ordinarily due to be paid to HMRC by 31 July 2020 may now be deferred until January 2021. The deferment is optional and any persons who wish to pay their second self-assessment payment on account on 31 July 2020 may do so. This is an automatic offer with no applications required. No penalties or interest for late payment will be charged if someone defers payment of their July 2020 payment on account until January 2021.

The Coronavirus Act 2020 is relevant, in particular Section 76, which refers to the functions of HMRC (see <https://www.legislation.gov.uk/ukpga/2020/7/section/76>).

Content of measure

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Details are given on the Government's Business Support site. The self assessment payment on account, that is ordinarily due to be paid to HMRC by 31 July 2020 may now be deferred until January 2021. The deferment is optional and any persons who wish to pay their second self-assessment payment on account on 31 July 2020 may do so. This is an automatic offer with no applications required. No penalties or interest for late payment will be charged if someone defers payment of their July 2020 payment on account until January 2021.

Use of measure

No information available at present time.

Actors, target groups and funding

Actors	Target groups	Funding
National government	self-employed solo-self-employed One person or microenterprises	No special funding required

Social partners

Role of social partners	No involvement
Form of involvement	Unknown

As before, the raft of packages have been unilaterally announced by government and have not ensued from a social dialogue process. However, it can be assumed that the social partners, particularly business groups, have been consulted with.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 17 March 2020: UK Government HMG, Business Support: Income tax deferral for the self-employed. (assets.publishing.service.gov.uk)
- 17 March 2020: HMRC (www.gov.uk)