HMRC - STSM153020 - Mitigation

Section 15B of the Stamp Act 1891 provides that that the Commissioners may, if they think fit, mitigate or remit any penalty for late stamping.

HMRC will, in most cases, charge a penalty using baseline penalty rates of 10%, 20% or 30%, depending on the length of the delay (see STSM015020 for more details of when each rate applies). However, for delays of 12 months or more, the penalty rate may be higher if there is evidence that the failure to submit documents for stamping was deliberate. The more serious the reason, the greater the penalty can be, calculated as a percentage of the duty unpaid.

Where there is a reasonable excuse for the delay in presenting an instrument for stamping no penalty is payable. See STSM153070 regarding what constitutes a reasonable excuse.

It is important that customers tell us about any factors which they consider relevant to the delay, when sending a document to us.

If customers do not agree with the amount of penalty we are asking for they should let us know why they disagree. They should provide us with any additional information relating to the delay which might help us in reconsidering their case.

Previous page

Next page