

# **Deferral of VAT payments due to coronavirus (COVID-19)**

Temporary changes to the VAT payments due between 20 March 2020 and 30 June 2020 to help businesses manage their cash flow.

If you're a UK VAT registered business and have a VAT payment due between 20 March 2020 and 30 June 2020, you have the option to:

- defer the payment until a later date
- pay the VAT due as normal

It does not cover VAT MOSS payments.

HMRC will not charge interest or penalties on any amount deferred as a result of the Chancellor's announcement.

You will still need to submit your VAT returns to HMRC on time.

HMRC will continue to process VAT reclaims and refunds as normal during this time.

## **If you choose to defer paying your VAT**

If you choose to defer your VAT payment as a result of coronavirus (COVID-19), you must pay the VAT due on or before 31 March 2021.

You do not need to tell HMRC that you are deferring your VAT payment. You can opt in to the deferral scheme simply by not making any VAT payments due in this period.

## **Payments made by Direct Debit**

If you normally pay by Direct Debit you should contact your bank to cancel your Direct Debit as soon as you can, or you can cancel online if you're registered for online banking. Do this in sufficient time so that HMRC does not attempt to automatically collect the payment due.

## **After the VAT deferral ends**

VAT payments due following the end of the deferral period will have to be paid as normal. Further information about how to repay the VAT you've deferred will be available soon.

## **If you're in temporary financial distress because of COVID-19**

If you are experiencing financial difficulties more help is available from HMRC's Time to Pay scheme.