

TAX PAYMENT DATES & INTEREST ON OVERDUE TAX INDIVIDUALS & TRUSTS

Tax Payable Dates

- **Payment on Account (POA) Notices** will be payable on the later of:
 - 6 January in the year of assessment; or
 - 30 days after the date of the assessment.

Interest will run from the due and payable date.

- If a holdover is requested and it is established that a greater amount should have been paid, interest will be due on the balance, (between what was paid and the POA Notice), from the POA due date to the date the balance is paid.
- **Assessments** are payable on the later of:
 - 6 January following the year of assessment; or
 - 30 days after the date of the assessment.

Interest will be chargeable on assessments paid late. In such cases the period of interest charge will run from the due and payable date of the assessment to the date the balance is paid.

- Where **default assessments** are issued, these set the date from which interest will be charged. Where additional tax is due on any subsequent revision, the date from which interest is charged refers back to the payable date of the default.

Rates of interest to be applied are:

- 1 January 2002 to 29 February 2008 – 7%
- 1 March 2008 to 31 January 2009 – 8%
- 1 February 2009 onwards – 5%

Surcharge interest under S.111A (1A) (b) of the Income Tax Act 1970:

- 1 July 2005 to 29 February 2008 – 9%
- 1 March 2008 onwards – 10%

The rate of surcharge interest will apply to the tax liabilities of individuals who have not submitted a tax return by 5 April of the year following the year of assessment to which the return relates.

For example, if a return for the year ended 5 April 2016 is not submitted until after 5 April 2017 the surcharge rate of interest will apply where there is an outstanding balance of tax which is not paid until after 5 April 2017.

However, if in the absence of a return a default assessment is raised, and the income tax is paid after the due and payable date but before 5 April 2017, the normal rate of interest will apply.

Where a default assessment is replaced with an actual assessment and increased tax is due, this may be subject to surcharge interest. In these circumstances, the surcharge interest will be due from the relevant date of the original default assessment.

Interest of less than £100 in total will be waived.



If you would like to know more
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