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

On 24 September 2020, the Chancellor announced that businesses who deferred VAT due from 20 March to 30 June 2020 will now have the option to pay in smaller payments over a longer period.

Instead of paying the full amount by the end of March 2021, you can make smaller payments up to the end of March 2022, interest free.

You will need to opt-in to the scheme, and for those who do, this means that your VAT liabilities due between 20 March and 30 June 2020 do not need to be paid in full until the end of March 2022.

Those that can pay their deferred VAT can do so by **31 March 2021**.

If you are still unable to pay the VAT due and need more time, see the guidance about what to do [if you cannot pay your tax bill on time](#) you can also contact HMRC by phoning: 0300 200 3835.

More information on the scheme will be available on GOV.UK in the coming months.

If you're a UK VAT-registered business that deferred VAT payments between 20 March 2020 and 30 June 2020, you now need to:

- [set-up cancelled Direct Debits](#) in enough time for HMRC to take payment
- continue to submit VAT returns as normal, and on time
- pay the VAT in full on payments due after 30 June

Any VAT payments you have deferred between 20 March and 30 June should be paid in full on or before 31 March 2021.

If you have any queries please do not hesitate to contact us or visit our website for further information.

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