

Trouble paying your tax bill?

For those of us who complete a self-assessment tax return the deadline for your second payment on account is looming – namely 31 July for the 2022-23 tax year. This payment is based on 50 per cent of your combined self-assessment tax and class 4 NIC liability for 2021-22.

With the cost of living crisis escalating - what are your options if you are worried that you can't make the full payment in time? If possible, make a part payment to help reduce the amount owed as penalties and interest will shortly come into play. It is imperative that you act upon this sooner rather than later. It is not advisable to ignore the brown envelopes landing on your doorstep or emails in your inbox hoping it will all blow over, as HMRC can make enforcement actions to get the money owed.

We would suggest that you sit down and make a realistic estimate as to when you believe you will be able to pay the amount due - either in instalments or in full and act upon it before the 31 July deadline.



You may be able to set up a Self Assessment payment plan online on GOV.UK. This will let you pay your Self Assessment tax bill in instalments without having to contact HMRC directly.

You can set up a Self Assessment payment plan (Time to Pay) online using your Government Gateway account, if you:

- have filed your latest tax return
- owe less than £30,000
- are within 60 days of the payment deadline
- do not have any other payment plans or debts with HMRC

Phone 0300 200 3820 if you miss the Self Assessment payment deadline.

If, however you think the amount you have been asked to pay is wrong, you may be able to appeal the tax decision. The appeal can be made by yourself or your accountant but bear in mind that you will usually have to pay your own costs regarding the appeal.

As always, if you have any queries, we recommend that you seek professional help.

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