



This ICAEW Tax Faculty guide summarises the different methods of paying tax over to HMRC. It is not intended to cover other means of paying tax such as coding adjustments.

It also touches briefly on what taxpayers can do if they cannot pay.

Links to the relevant sections of the HMRC website are provided. Full information on how to pay all taxes and duties can be found on HMRC's website page [Paying HMRC](#), see www.hmrc.gov.uk/payinghmrc.

The box below shows some of the topics under each head of duty that you can access by following the link.

PAYING HMRC TOPICS

- Self-assessment payment deadlines
- Paying by Budget Payment Plan
- Paying by direct debit
- Paying by debit or credit card over the internet: BillPay
- Paying by internet/telephone banking, Faster Payments or CHAPS
- Paying by Bank Giro
- Paying at the Post Office
- Paying by post
- Paying from an overseas bank account
- Receipt requests
- What to do if you don't have a payslip

To see which of HMRC's bank accounts to use when paying different types of tax use the [A-Z](#) list, see www.hmrc.gov.uk/bankaccounts.

HMRC recommends that payment is made electronically by means such as BACS, Chaps or Bank Giro as these methods are the most secure.

Clickable links

The online .pdf version of this document has clickable links. Any text in **bright red** will link to a web page.



PAYING BY DEBIT OR CREDIT CARD

- Payment by debit and credit cards (except American Express and Diners Club) can be made over the telephone to the St Austell Card Line (0845 305 1000). Callers will need to provide their name and 10-digit Unique Taxpayer Reference (UTR) followed by K.
- Payment can also be made by debit or credit card online, see www.santanderbillpayment.co.uk/hmrc.
- There is a charge when paying by credit card, currently 1.25%.

PAYING BY CHEQUE

- Cheques should be made payable to 'HM Revenue & Customs only' followed by the 10-digit UTR.
- The taxpayer's name should be written on the reverse of the cheque.
- Cheques should be sent to HMRC using the payslip and envelope provided or (preferably) paid using the payslip at a bank. If a payslip is not available one can be printed off at www.hmrc.gov.uk/payinghmrc/payslip-sa.htm.
- In the absence of a pre-addressed envelope, cheques should be sent to HMRC Banking, BRADFORD, BD98 1YY.
- Payments made by cheque are not guaranteed to reach HMRC in time so they should be posted at least three working days ahead to allow for any possible postal and bank processing delays. HMRC is not responsible for such delays.
- HMRC only accepts post-dated cheques if they are for the full amount due, are sent prior to the due date and are accompanied by a covering letter explaining the reason for the post-dating (which must be acceptable to HMRC). Post-dated cheques sent after the due date will not be accepted unless a prior agreement has been made with HMRC. Note that because of the highly automated systems used by HMRC, post-dated cheques received without a letter will not be recognised as such and will be presented straight away.

PAYMENT OF SELF ASSESSMENT TAX BY TELEPHONE BANKING, CHAPS OR ONLINE

HMRC ACCOUNT DETAILS

Account name	HMRC Shipley	HMRC Cumbernauld
Sort code	08-32-10	08-32-10
Account number	1200 1020	1200 1039
Reference	Please quote the 10-digit UTR followed by the letter K	

If paying from an overseas account the following additional details may be needed:

Payments to HMRC Shipley

IBAN: GB 05 CITI 083210 1200 1020

SWIFT: CITI GB2L

Payments to HMRC Cumbernauld

IBAN: GB 74 CITI 083210 1200 1039

SWIFT: CITI GB2L

PAYMENT OF TAX IN ADVANCE USING CERTIFICATES OF TAX DEPOSIT

Certificates of Tax Deposit (CTDs) are available from HMRC and are an easy way to make payments on account of future liabilities.

- The minimum deposit is £500 and subsequent deposits can be made of the lower of either £250 or the amount required to bring the deposit back to the £500 minimum where there has been a withdrawal to settle a tax liability.
- CTDs cannot be used to pay corporation tax or PAYE.
- If a CTD is used to settle a liability arising from an HMRC investigation then late payment interest will not be charged from the date the CTD was bought.
- Interest, which has its own specific rate, is paid gross and is taxable. No interest is paid on deposits of less than £100,000. Interest is only paid for the first six years that a deposit is held. Different rates apply depending on whether the deposit is used to settle a tax liability or is simply withdrawn.
- HMRC recommends that deposits are made electronically but they can be made by cheque sent to HMRC CDT team, Victoria St, Shipley, BD98 8AA.
- If paying by cheque a letter should be sent to HMRC stating the name and address of the depositor, the amount of the deposit, the date of your letter, and if it is on behalf of a trust or estate, the names of the trust and trustees or the deceased and executors.

For more information about CTDs see

www.hmrc.gov.uk/payinghmrc/cert-tax-deposit.htm#4.

CAN'T PAY?

Taxpayers who have difficulty in paying their tax may be able to get help from HMRC's [Business Payment Support Service \(BPSS\)](#) which can be used to make arrangements for time to pay, see www.hmrc.gov.uk/payinghmrc/problems/bpps.htm.

Despite its name, the BPSS deals with requests from individuals as well as businesses. Where agent authorisation is in place, the BPSS can make payment arrangements with agents on behalf of their clients.

Taxpayers need to contact the BPSS well in advance of when the payment is due: the service is not available where the tax has already become due. In those circumstances taxpayers should contact the office from which they have received a demand.

Interest is charged on late payments and the current rate is 3.00% per year.

Penalties are imposed for late payment. HMRC may waive penalties where a time to pay arrangement has been made before the due date.

For those with more serious payment problems, the charity [TaxAid](#) provides detailed advice about tax debt and how to cope with it, including advice for advisers – see www.taxaid.org.uk.

CORPORATION TAX PAYMENT REFERENCES

Since April 2011 companies have been required to make their payments to HMRC electronically. A 17-digit reference number is required. This is made up of:

- First 10 – the 10-digit UTR.
- Next 4 – the sequence A001.
- Next 2 – two digits representing the accounting period.
- Last 1 – the letter A.

The reference to use can be checked using [HMRC's reference checker](#), see www.hmrc.gov.uk/payinghmrc/referencechecker.htm.

ICAEW TAX FACULTY

We list below useful links for easy access to the latest news from the Tax Faculty.

Tax News

– latest tax news and updates

Tax Forum

– report an issue, give a view, find an answer

Working with HMRC

– HMRC service issues updates

HMRC Agent Strategy

– latest news

Tax Faculty membership benefits

– how to join

Sign up for the ICAEW Tax Faculty free weekly newswire for updates and views on the latest tax news. Subscribe using the link on the right-hand side of our news website ion.icaew.com/TaxFaculty.

We hope you find this guide to paying tax helpful. We are keen to keep our TAXtools up to date so if you have any suggestions or become aware of any changes to the guidance above, please email philippa.stedman@icaew.com.

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Details correct as at January 2013.