



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Gregory Campbell MP  
House of Commons  
London  
SW1A 0AA

11 July 2019

Dear Gregory

On 1 July, I undertook to deposit in the Library of the House information in response to your Parliamentary Question UIN 268996, asked on 25 June. This information relates to how much was paid in penalties by people who submitted tax returns after the deadline of 31 January in each year since 2018.

A handwritten signature in black ink that reads 'Jesse'.

JESSE NORMAN

The 2016-17 Self-Assessment (SA) tax return typically has an online filing deadline of 31 January 2018, and correspondingly, the 2017-18 Self-Assessment tax return typically has an online filing deadline of 31 January 2019.

The value of payments attributed to late filing penalties for people filing late and after 31<sup>st</sup> January for these two tax years has been provided below.

Tax Year penalty relates to	Penalty payments
2016-17	£95,131,000
2017-18	£16,617,000

Note:

Figures have been rounded to the nearest thousand.

These figures have been produced using an extract of the data provided for analytical purposes, and there may be small differences between this and the live SA system.

This analysis is based on penalties created and payments received to 6th June 2019. The 2017-18 figures cover a period of 4 months. The 2016-17 figures cover a period of 16 months. We anticipate that more penalties will be issued and paid in relation to 2017-18, so it is not possible to make meaningful comparisons between the two sets of figures.

The above figures include both full and part-payments for the initial £100 late filing penalty, daily penalties, 6 month and 12 month late filing penalties. Late payment penalties have not been included.

These late filing penalties relate to:

- Individuals who filed online after 31 January after the end of the corresponding tax year and at least 3 months after they were issued with a notice to file
- Individuals who have missed the 31 January deadline and who have not yet filed their SA return for the corresponding tax year
- Individuals who did not need to file an SA return for that tax year but received late filing penalties due to late notification

Penalties are not used as a means of generating revenue. HMRC want customers to comply with their obligations.

HMRC charge penalties to encourage customers to meet their tax obligations and to act as a sanction for those who do not, so the majority who do pay correctly and on time are not disadvantaged.

Not all customers who fail to submit their return on time will have to pay a penalty. A penalty will not be payable if a customer had a reasonable excuse for not filing their return on time.