

New RTI Filing Penalty information

All employers may incur a penalty for each tax month in which one or more real-time PAYE reports for a scheme are late.

Top tips on how to avoid incurring penalties unnecessarily

- Report PAYE on time by sending a Full Payment Submission (FPS) on or before the earliest payment date that is reported on it.
- If you are sending your submission late make sure you use the late reporting reason code if appropriate.
- Send an Employer Payment Summary (EPS) by 19th of the month if:
 - you don't pay anyone during the tax month.
 - you are going to have a period of inactivity and won't be reporting for several months even if you have submitted a final FPS earlier in the year
- If you use us as your payroll services provider to run your payroll, you must get your payroll information to us in good time in order to meet the reporting deadlines.

Penalty notices and appeals

Penalties can be between £100 and £400 per month depending on the number of employees in the scheme.

Appeals can be made online or in writing, and will be considered in exactly the same way, whichever method you use. However, HMRC will be able to process your appeal more quickly if you make it online. Appeals can only be made once a penalty notice has been issued, and **cannot** be made by telephone.

Further late filing penalties

Where an FPS is outstanding for three months or more HMRC may charge a further penalty of 5% of the tax/NICs that would have been paid if the information it provides had been sent on time. HMRC will only apply this penalty for the most serious and persistent failures.