

VAT deferral

What is it?

The chancellor has announced that businesses are able to defer VAT payments for a three month period in 2020.

Who is eligible?

All UK businesses are eligible for the deferred VAT payments.

What does it cover?

Your business can defer VAT payments for the period from 20 March 2020 to 30 June 2020. You're not required to make a VAT payment during this time period and have until the end of the 2020/21 tax year to pay any liabilities that are accumulated.

How your business can access it

There's no need to apply for the deferred VAT payments as it's an automatic offer. You don't need to make a VAT payment by 30 June 2020 if you don't wish to – you now have an extended deadline of the end of the 2020/21 tax year. VAT refunds and reclaims will be paid by the government as usual.

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