



**HM Revenue
& Customs**

By email to:
Mr P Farley
request-313xxxxxxxxxx@xxxxxxxxxxxxxxxxxxx

Teresa Chance
Central Policy - Freedom of Information
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Email

Date 19 April 2010
Our Ref FOI 1390/10
Your Ref

www.hmrc.gov.uk

Dear Mr Farley,

Freedom of Information Act 2000

Thank you for your request for information about paying your VAT by cheque. Your request was received by us on 23 March, and I am dealing with it under the terms of the Freedom of Information Act 2000.

The payment position is covered in detail on our website - the information has been available there for several months.

If **you have been required to file online/ pay electronically from 1 April 2010**, then there are several ways in which you can meet the electronic filing requirement. These include Direct debit, internet and telephone banking, BACS, CHAPS, and Bank Giro credit. We recommend the Direct debit option in particular, since this gives you the longest extra time to file and pay - but the choice is up to you. The bank giro credit option allows you to pay by cheque (or cash) - you need to pre-order from us a book of (pre-printed) Bank Giro Credits, and then take your completed BGC/ cheque or cash to a participating bank or building society and pay them in. However, you should **not** send us a cheque via the post.

Full details of these payment methods are available at
www.hmrc.gov.uk/payinghmrc/vat.htm

Please note that we sent all VAT customers a leaflet in Nov 2009 about the three major changes taking place in 2010 - the section dealing with compulsory online filing and electronic payment directed customers to this part of our website for more information on electronic payment methods. And the Notice we sent in February 2010 to all customers

Information is available in large print, audio tape and Braille formats.
Type Talk service prefix number – 18001



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affected by compulsory online filing also directed customers to this web ref for more information.

If you are **not yet affected** by compulsory online filing/ electronic payments, then you still have the option, for the time being, of filing your VAT returns on paper and sending us a cheque with it, via the post. However, anyone who is doing this will need to note that the rules relating to cleared funds changed recently. From 1 April 2010, all cheque payments made **by post** will be treated as being received by HMRC on **the date when cleared funds reach HMRC's bank account**. This means that you must allow enough time for the payment to reach us and clear into our bank account no later than the due date shown on your VAT Return. A cheque takes three bank working days to clear. Bank working days are Monday to Friday excluding bank holidays.

To allow for possible postal delays, you should allow at least **three working days** for the cheque payment to reach us and a **further three days** for the payment to clear HMRC's bank account.

(The change in the cleared funds rule does **not** apply to payments made by cheque/ BGC - only to cheque payments sent via the post).

Again, this information is on our website, at the web reference above.

I hope this clarifies matters for you.

If you are not happy with this reply you may request a review by writing to HMRC FOI Team, Room 1C/25, 100 Parliament Street London SW1A 2BQ. You must request a review within 2 months of the date of this letter. It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome of the internal review, you have the right to apply directly to the Information Commissioner for a decision. Generally, the Information Commissioner cannot make a decision unless you have exhausted the complaints procedure provided by HMRC. The Information Commissioner can be contacted at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF

Yours sincerely

Teresa Chance