

## Surcharge and Penalties for late filing of VAT returns

### How much you pay

Your surcharge is a percentage of the VAT outstanding on the due date for the accounting period that is in default. The surcharge rate increases every time you default again in a surcharge period.

This table shows how much you'll be charged if you default within a surcharge period.

You do not pay a surcharge for your first default.

Defaults within 12 months	Surcharge if annual turnover is less than £150,000	Surcharge if annual turnover is £150,000 or more
2nd	No surcharge	2% (no surcharge if this is less than £400)
3rd	2% (no surcharge if this is less than £400)	5% (no surcharge if this is less than £400)
4th	5% (no surcharge if this is less than £400)	10% or £30 (whichever is more)
5th	10% or £30 (whichever is more)	15% or £30 (whichever is more)
6 or more	15% or £30 (whichever is more)	15% or £30 (whichever is more)

### Penalties

HMRC can charge you a penalty of up to:

- 100% of any tax under-stated or over-claimed if you send a return that contains a careless or deliberate inaccuracy
- 30% of an assessment HMRC sends you one that's too low and you do not tell them it's wrong within 30 days
- £400 if you submit a paper VAT Return, unless HMRC has told you you're exempt from submitting your return online