

FURTHER EXTENSIONS REQUESTED TO RTI PENALTY-FREE PERIOD

The Chartered Institute of Taxation (CIOT) has asked HMRC to consider extending the penalty-free period for the new 'Real Time Information' system, which is commencing on 6 April 2013. The CIOT called for the penalty-free period to be extended until 14 April 2014, allowing the new system time to settle in and give employers time to get used to the new obligations.

Currently, it is proposed to levy penalties for incorrect returns from the point that the Finance Bill 2013 gains Royal Assent – expected to be July 2013. In the interim period between July 2013 and April 2014 late penalties will be charged at the end of the financial year.

The CIOT has also called for the Government to extend the penalty free period for the last group of employers to join the RTI system (care workers and support employers). They will be joining the system in April 2014, so no penalties should be imposed on them until April 2015.



For further background information on RTI, please see our earlier post in October 2012