



Is the holiday period over on HMRC deferred payments?

As business owners and their advisers return to work after the summer break they are revisiting the many challenges that face their companies and clients. The problems have not gone away and market conditions, which some commentators suggest show signs of improvement, do however remain demanding.



Steve Clancy, partner at [MCR Tax Arrears Solutions](#), assesses the current issues confronting businesses as they search for solutions for maintaining cashflow.

One critical area of financial support for small and mid corporate businesses has come from HM Revenue & Customs (HMRC). The impact of the recession has created real trading difficulties and resulting cashflow difficulties for all businesses. For those badly hurt and without the refuge of alternative funding lines they have effectively continued to trade by not paying HMRC PAYE/NI and VAT.

The support provided by HMRC has been vital in limiting the number of corporate failures. The time to pay arrangements agreed have provided a genuine lifeline for those who otherwise could not continue to fund their businesses.

Has the attitude of HMRC changed? Well, evidence at the coal face, so to speak, certainly suggests that is the case.

The end of the holiday season has coincided with a changed stance. It is not to say that time to pay arrangements cannot be met but it is fair to say that the process to secure an arrangement is more onerous and that the acceptable repayment terms are being restricted.

The level of HMRC tax arrears has escalated to over £30B and at some point this position has to be brought under some semblance of control and reigned in by the Government who are losing revenue.

At a time when economic recovery is far from conclusive and Bank funding remains accordingly conservative, this revised stance taken by HMRC will without question increase cashflow difficulties in many businesses.

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What can be done to secure time to pay arrangements from HMRC?

Invariably you only get one chance to make your case and in this new environment it is so important to present your case in the right manner to maximise your chances of obtaining HMRC support.

[MCR Tax Arrears Solutions](#) offer the necessary level of expertise and with years of experience of negotiating with HMRC behind us we can assist companies and as always are prepared to meet clients for a non obligation and free consultation.

THE HOLIDAY IS CERTAINLY OVER BUT WITH THE RIGHT APPROACH TIME TO PAY ARRANGEMENTS CAN BE SECURED.

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