



**HM Revenue
& Customs**

Important information about filing VAT returns online and paying electronically

285014:00029608:001

CLOUDSOFT LIMITED
2ND FLOOR
40 GLEDSTANES ROAD
BARONS COURT
LONDON
W14 9HU

Help and advice

For information about filing your returns online,
go to www.hmrc.gov.uk/vatonline
or phone the VAT Online Helpdesk on 0845 010 8500

For information about paying HMRC by internet or
phone go to www.hmrc.gov.uk/payingvat

If you are hard of hearing or speech impaired and use
a Textphone, phone 0845 000 0200

Date 08 February 2012

Important change: from 1 April 2012, virtually all VAT customers will be required to file VAT returns online and pay VAT electronically - or they may face penalties

VAT Registration Number 733 4569 23

1. Important information

- For VAT periods starting on or after 1 April 2012, virtually **all** VAT customers **must** file their VAT returns online and pay any VAT due electronically. Customers who are required to file online will not receive paper returns for any period starting on or after 1 April 2012.
- There will be two, **very limited** categories of customer who, by law, are not required to file online. These are (a) businesses subject to an insolvency procedure; and (b) businesses run exclusively by people who are practising members of a religious group whose beliefs are incompatible with the use of computers. Go to www.hmrc.gov.uk/vatmoving for more information on this, and see Section 4 of this letter.
- There is **no change** in the way in which you keep your business records, calculate the VAT due or repayable, or complete the online return (which is similar to the paper return).
- Filing online is straightforward, and there is help available, should you need it - we have listed the main types of help on the back of this letter.

This letter contains lots of useful information. Please keep it safe so you can refer to it at a later date.

2. You must act NOW

You will need to decide whether **you** or your **accountant** (if you have one) will file your VAT Return online. If your accountant will be acting for you, please show him/her this letter immediately.

If **you** will be filing the return online, then please take the following actions **in time to file your first online return**:

- Sign up for HMRC VAT Online services** (this service enables you to file your returns online). It's easy to do, but we have provided a **short guide to signing up** with this Notice, should you need help. When signing up, you will be asked – for security reasons – to provide five key pieces of information, including the date from which your business was registered for VAT (see below).

Your date of VAT registration is 29 September 1999

Please turn over

- **Decide how you want to file online** – you can use either HMRC's free online filing service, or a commercially produced package which you can buy. It's up to you – the main difference is that HMRC's service doesn't provide a bookkeeping service, while some commercial packages do.
- **Decide which electronic payment method works best for you, and set it up** well in advance of the actual payment date. You can choose from Direct Debit (which gives you a bit longer to pay), phone and internet banking, BACS Direct Credit and CHAPS. You can also pay by cheque or cash at a bank or building society, using a pre-printed Bank Giro Credit (BGC) which you can obtain from us. Go to www.hmrc.gov.uk/payingvat for more information on these.
- **Make sure that everyone in your organisation responsible for completing VAT Returns, or arranging payment, is aware of these changes and your decisions.**

3. Help and support

Filing online is quite straightforward, and if you need help, there's plenty available.

- **Online** – we provide a downloadable **step by step** guide on signing up for VAT Online services, and another on filing your returns online. Go to www.hmrc.gov.uk/vat/sign-up-for-online.pdf and www.hmrc.gov.uk/vat/online-return.pdf. There is also an **online demonstrator**, which takes you through the main screens you would experience when signing up/filing online (viewable online only). Go to www.hmrc.gov.uk/demo/organisation/VAT-online/
- **Presentations and workshops** for customers who are new to online. For further information about locations and how to book, please go to www.hmrc.gov.uk/bestevents or speak to our Contact Centres.
- **Our Online Services Helpdesk (for help by phone)** can help you sign up for VAT Online services, or file online (using the HMRC free filing service). If you are filing using a commercially produced package, then you should phone your software provider for assistance.

If you have a **disability** which makes it very difficult for you to use a computer, or live in a **remote area without reliable access to the internet**, please phone the VAT online services helpdesk on **0845 010 8500**, who will discuss the best way to help you.

4. What to do if you think you are not required to file online

If you feel that you fall into one of the two very limited categories of customers who are not required to file online, you should write to HMRC VAT mandation review team, Crownhill Court, Tailyour Road, Crownhill, Plymouth, Devon, PL6 5BZ. You should explain in your letter which exemption you think applies to you, and provide any information that you think is relevant.

The VAT Helpline can explain the general process to you, but they will not be able to discuss the details of your particular case, or offer advice on how you should present your case to the mandation review team.

5. And finally

Over three quarters of VAT customers are now filing online, including many small businesses like yours, who have signed up voluntarily. You will soon be able to sign up for an online summary of your tax liabilities and payments. Please check the HMRC website for more information. It's not difficult – so **please act now**.