

PAYE Security Payments

The economic downturn has taken its toll on a lot of businesses. Some businesses have had difficulty paying the taxes that they owe, such as VAT, PAYE and NI contributions.

Unfortunately, some employers feel that they can ease cash flow problems by not paying across PAYE and National Insurance contribution that are deducted from their employee's wages to HMRC.

Some employers have even made a fraudulent hobby out of non-payment of payroll taxes. They run up large payroll tax debts, go into insolvency and then starting all over again with a new "phoenix" company.

However, from April 2012 HMRC will be given a new power, they will be able to request a security deposit in the form of cash, or a bond with a financial institution, at any limit that they think will prevent a business from defaulting on payroll debts. Non-payment of this security will secure a fine of up to £5,000 that is enforceable by the courts.

If you have genuine difficulties with meeting your obligations, don't be tempted to just stop paying, come and talk to us! Even if we can't help you, we do have trusted industry contacts that can.

If you require more information, please contact the office on 01202 526522

