

NFP eNews 27 AUGUST 2020

Welcome to eNews, haysmacintyre's regular 'e-news alert' for charities and not for profit organisations.

EXTENDING MTD FOR VAT

From April 2019 entities which were registered for VAT, because their taxable turnover was above the mandatory VAT registration threshold, have had to submit their VAT returns under the Making Tax Digital (MTD) rules. These rules require the processing from entering either income or expenditure through to submission of the VAT return to be entirely automated using what is referred to as functional compatible software. The Government has now announced that from April 2022 all VAT registered businesses, including those registered on a voluntary basis, must submit returns in accordance with MTD. Please contact [Phil Salmon](#) for assistance.



MTD TO BE WIDENED FOR INCOME TAX AND CORPORATION TAX

The [Treasury has announced](#) plans to make MTD mandatory for income tax for businesses and landlords with turnover in excess of £10,000 from 6 April 2023. It is hoped that the long lead-in time will allow businesses, landlords and agents to have sufficient time to plan. It is also expected that a consultation will be launched this Autumn on how MTD can be extended to include corporation tax, although no start date has been announced. Please contact [Katharine Arthur](#) for assistance.

TIME TO PAY ARRANGEMENTS AND THE CJRS

Many businesses entered into Time to Pay arrangements in respect of PAYE. However, HMRC expects employers to pay the PAYE and National Insurance due on the grants payments received under the CJRS on time. We are aware HMRC is contacting businesses seeking payment of any outstanding liabilities or to discuss new payment arrangements. Please contact [Nick Bustin](#) for further guidance in respect of the CJRS scheme.



WHAT DOES THE 2020 PLAN FOR JOBS MEAN TO YOUR ORGANISATION?

Employee training, development and reskilling is going to be key to the UK economy's recovery from the coronavirus pandemic.

Our client, Impact Futures, has written an article explaining each of the Government-led initiatives, and how businesses can benefit from them. The article can be found [here](#).

FURLOUGH OVERCLAIMS AND THE CJRS

[HMRC has published guidance](#) which allows employers to delete overclaims made under the Coronavirus Job Retention Scheme (CJRS) (plus other COVID-19 schemes), but only within 72 hours of the claim being submitted. Otherwise employers must notify HMRC of overclaims by the latest of: 90 days after the date the employer received the grant; 90 days after the date the employer received the grant to which they were not entitled to keep because of a change in circumstances; or by 20 October 2020. HMRC will raise assessments to recover the overclaimed grants and, where payment is made late, charge interest.



FURLOUGH PENALTIES AND THE CJRS

Where the employer does not notify HMRC of any overclaim under the CJRS then penalties will also be due. HMRC may impose a penalty of up to 100% of the overclaim, in particular, where the employer fails to notify HMRC, although mitigation can apply where the employer did not know it had been overpaid. Company officers may be personally liable to pay the tax on their company's overpaid grants under the scheme.

Our dedicated [COVID-19](#) page provides regular updates on a range of financial, tax and accounting measures being introduced with our related thoughts/insights on helping businesses during this time.

UPCOMING EVENTS

Bi-annual update for independent schools webinar

Thursday 17 September 2020

15:00 - 16:30

Online

A bi-annual update for independent schools.

Bi-annual charity update webinar

Thursday 1 October 2020

10:00 - 12:30

Online

haysmacintyre's bi-annual charity update seminar for charities and not for profit organisations.

INGO financial benchmarking report launch and webinar

Tuesday 6 October 2020

14:00 - 15:30

Online

An update on latest developments relevant to INGOs and the launch of our 2020 International Charity Financial Benchmarking report.

What Every Trustee Should Know

Wednesday 14 October 2020

09:30 - 13:00

Online

haysmacintyre, Farrer & Co and Cazenove Charities are hosting a comprehensive programme of training sessions for both new and experienced trustees.

PIMBs Discussion Series

Wednesday 14 October 2020

15:00 - 17:00

Online

A discussion series featuring prominent guest speakers sharing insights into relevant topics to those within the Professional Institutes and Membership Bodies (PIMBs) Sector.

VAT and Tax Exchange

Tuesday 20 October 2020

16:00 - 17:30

Online

haysmacintyre's VAT and Tax Exchange is a bi-annual seminar series providing an update on topical VAT and Tax issues relating to charities. Hosted in Autumn and Spring each year.

For further details on our not for profit upcoming events and to book your place, visit www.haysmacintyre.com/events.

haysmacintyre

haysmacintyre
10 Queen Street Place
London EC4R 1AG

T 020 7969 5500
F 020 7969 5600
E marketing@haysmacintyre.com

www.haysmacintyre.com

[@haysmacintyre](https://twitter.com/haysmacintyre)



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