



A practical guide for negotiating a Time to Pay arrangement with HMRC if your business is struggling to meet tax obligations.

1. What is a Time to Pay Arrangement?

It's an agreement with HMRC that allows you to spread your tax payments over a longer period — typically 3 to 12 months — to ease immediate cashflow pressure.

2. When Should You Use It?

- You're behind on VAT, PAYE, or Corporation Tax.
- You know you won't be able to make a payment deadline.
- You want to avoid enforcement action or penalties.

3. What HMRC Wants to See

- That you're being proactive and honest about your position.
- That you have a viable plan to repay over time.
- That you're not using HMRC as a first resort unnecessarily.

4. How to Contact HMRC

- Call the HMRC Payment Support Service: 0300 200 3835 (Monday–Friday, 8am–6pm)
- Be ready with:
 - Your reference number (UTR/VAT Reg No.)
 - Amount owed and reason for difficulty
 - A proposed repayment schedule (how much you can pay and how often)
 - Basic cashflow info to support your case

5. Sample Script

“Hi, I’m calling because my business is under cashflow pressure and we’re unable to meet our upcoming [tax type] payment.

We’d like to set up a Time to Pay arrangement to avoid defaulting.

We can commit to paying £[amount] per month over [x] months and would appreciate any flexibility HMRC can offer.”

6. What Happens Next

- HMRC may agree immediately or request more detail in writing.
- If accepted, make sure you stick to the agreed payments — or contact them early if things change.
- If rejected, seek help from an accountant or turnaround adviser immediately.