

How are late payment surcharges (“surcharges”) calculated?

If tax, penalties or surcharges are not paid by the due date, a 5% surcharge may be added to the amount outstanding. If the amount outstanding continues to be unpaid, further surcharges are imposed on a 6 monthly basis.

A surcharge may also be imposed when assessments have been revised (e.g. to include additional income). A 5% surcharge may be calculated and backdated to when the tax would have originally fallen due had the income been included at the correct time, and is then calculated at 6 monthly intervals up to date. The surcharge is calculated as if the tax had been charged on 30 June and 31 December in the year of charge to which the additional tax relates.

For more information please read our FAQ's: www.gov.gg/taxationfaq