



elsby & co  
chartered accountants



## TAXMAN SWITCHES BANKS

**HMRC will be changing its banking arrangements shortly. What should you be doing to make sure your tax payments don't go astray?**

**Big change:** Later this year the Bank of England will cease to handle the Taxman's bank transactions. Instead, the partly nationalised RBS, the same bank that has recently announced record UK trading losses, will take over the job. They will share the duties with Citibank. The change is being phased in during 2009, with PAYE payments being due to the new accounts on 19th May 2009.

**Action required?** We will keep you informed of progress as the banking changes come into effect. Our guide below tells you what action you will need to take when the time arrives:

- **Direct Debit (dd):** No action is required. Existing DD's will remain valid and the Taxman will notify your bank of the changes;
- **Direct payment:** If you use BACS or CHAPS, you will need to inform your bank of the Taxman's new sort code, account number and account details. Unfortunately, HMRC doesn't know or hasn't released this information. We will let you know as soon as it is available;
- **Electronic banking:** If you use the bank's online payment system, you should have received a notice from the HMRC (P30B letter) stating your new bank details:

Account name	AO Shipley	AO Cumbernauld
Account number	12001020	12001039
Sort Code	08-32-10	08-32-10

**TIP—** Some banks provide a list of common payees on their website, including HMRC. In this case the bank will have done the work of updating the information for you and no further action is needed.

- **BillPay:** This is the government's online payment system. The changes are all done at the Taxman's end, so you can continue to use the system without worrying about the changes.
- **Post:** No change. Just make sure you always write your tax reference on the back of your cheque.
- **In person:** If you pay your tax at the bank or Post Office, you will need the tax payslip from HMRC. This will have the new details on it already.

**TIP—** After HMRC changes banks, old payslips will be out of date as they will show the wrong sort code etc. So make sure you only use a current one.

