



Pen 08/14 FAQ

## **MACHINE GAMES DUTY PENALTIES - FREQUENTLY ASKED QUESTIONS**

### **Which penalties are being cancelled?**

We are cancelling all the penalties which we have issued to people for late filing of MGD returns and late payment of MGD.

We are not cancelling any other MGD penalties - MGD penalties issued for, for example, failing to register or making errors on a return, still stand. And we are not cancelling late filing and late payment penalties issued for taxes other than MGD.

### **How do I know whether I have had one of the MGD penalties that is being cancelled?**

We would have written to you. When we issued a penalty to someone we sent them, as appropriate, a letter with the reference MGD11 (penalty for late payment) or with the reference MGD12 (penalty for late filing of a return).

### **I use the MGD Online Service and I can still see a penalty for late filing of an MGD return or late payment of MGD on my account - does this mean that the penalty isn't cancelled?**

HMRC confirm that the penalty is cancelled and you do not have to pay it. However, it may take a while for us to update the MGD Online Service with the information about the cancellation.

### **Is it right that HMRC are not going to issue any more penalties for late filing of MGD returns and late payment of MGD?**

No. Although, for a short period we will not issue any new penalties for late filing of MGD returns and late payment of MGD through our automated system, it is still open to us to issue penalties on a case by case basis in particular circumstances. And we will restart issuing automatic penalties as soon as we can be sure our systems are working properly. We will update our website [www.hmrc.gov.uk/machinegamesduty](http://www.hmrc.gov.uk/machinegamesduty) when we have information on when automated penalties will restart.

### **How do I get a refund of the penalty I paid?**

You don't need to do anything. If you owe any MGD debts we will use your refund towards paying what you owe. If the refund clears what you owe and there is some of it left we will send you a payable order for the balance. If you don't owe any MGD debts we will send you a payable order for the full amount of the refund.

We will include interest in what we pay back to you.

We will do this by the end of December. Do not worry if you do not receive your refund for a few weeks - we have a lot of cases to work through and unfortunately this will take us some time.

**I have an MGD debt - can I have the full amount of my refund without some being used to cover the debt?**

No. We will only send you what is left (if anything) after we have used your refund money against your MGD debt.

**I had a penalty for late filing of MGD returns or late payment of MGD but I'm not registered for MGD anymore - will I get a refund?**

We'll treat you in the same way as people who are still registered for MGD. So we'll put your refund towards any MGD debts you still have. If the refund clears what you owe and there is some of it left we will send you a payable order for the balance. If you don't owe any MGD debts we'll send you a payable order for the full amount of the refund.

**Can you send my refund to me by electronic transfer rather than payable order?**

No. Unfortunately, we can only make these refunds by payable order.

**I've asked for a review against the penalty I received for late filing of MGD returns or late payment of MGD and I haven't had the result of this review yet - what happens?**

We have cancelled the penalty you asked to have reviewed. The review is closed.

**I'm appealing against the penalty I received for late filing of MGD returns or late payment of MGD and the appeal hasn't finished yet - what happens?**

We have cancelled the penalty you are appealing against. The appeal is closed.