



HM Revenue & Customs

Dan Neidle

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Our ref: FOI2025/[REDACTED]

Dear Dan Neidle,

Freedom of Information Act 2000 (FOIA)

Thank you for your request, which was received on 19 May, for the following information:

"I refer to my previous FOI requests regarding late filing penalties and income deciles (e.g. FOI2023/30669). I'd be grateful if you could provide me with the latest statistics on PF1s, LPP1s, broken down by income deciles, for all the years when you have data. Could you please again provide figures both for the initial penalty assessed and the final penalty charged post-appeal.

Could you please, in addition, provide information on the % of penalties charged actually collected by HMRC (again broken down by income decile).

I'd be grateful if you could provide this data in Excel format rather than in a PDF."

Our response

We can confirm that we hold the information requested. In interpreting what follows, it should be noted that income analysis for late filing penalty recipients is limited to late filers only. i.e., customers who failed to submit a return by the deadline but have since filed. The analysis therefore excludes cases where the penalty recipient has not filed and their Self-Assessment (SA) income for the year remains unknown.

Furthermore, it should be noted that at the point in time when the penalty is issued, HMRC are not aware of that customer's SA income. In other words, we are not able to suppress a late filing penalty on income grounds because we do not have the income data from the customer needed to make such a decision at that time.

We have interpreted the request for information on 'the % of penalties charged actually collected by HMRC (again broken down by income decile)' to mean the number of penalties paid by income decile as a proportion of all penalties raised for that income decile. Penalties not collected will include those cancelled but also include other situations where penalties have not been paid.

If you need extra support, for example if you have a disability, a mental health condition, or do not speak English/Welsh, go to www.gov.uk and search for 'get help from HMRC'.

Text Relay service prefix number – 18001

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These penalties are defined as:

- **PF1** (1 day first fixed penalty): £100 penalty issued when individual taxpayers do not submit their self-assessment return on time. Mostly issued shortly after the online filing deadline (31st January). This is an automated penalty for which the only criterion for issuing is whether filing obligations have not been met. This penalty is issued to individuals and does not include partnerships.
- **LPP1** (30-day Late Payment Penalty): 5% of the outstanding tax value charged if the taxpayer fails to pay within 30 days of the required payment date. This is an automated penalty for which the only criterion for issuing is whether payment has not been received on time. This penalty is issued to individuals and partnerships.

The deadline for submitting tax returns for tax year 2023-24 was on 31 January 2025. Whilst both PF1 and LPP1 have begun to be issued for the 2023-24 tax year, insufficient time has elapsed since the deadline for the late returns to be received. These would be needed for the present analysis as without the late returns we do not know the income for those customers. Therefore, PF1 and LPP1 penalties for the tax year 2023-24 have not been included in this response as the data is incomplete.

Where figures are presented as absolute numbers any differences between years may reflect changes in the size or makeup of the SA population from year to year. Caution must therefore be applied when comparing figures across different tax years.

To provide context to these figures, you can find details of Income Tax SA cash receipts in [HMRC's tax receipts and National Insurance contributions for the UK](#) publication. The [number of taxpayers and registered traders](#) publication also presents information on the number of taxpayers with an Income Tax liability arising during the year and are presented at the individual level, but will include some businesses (for example, individuals with income from self-employment or partnerships). The latter linked statistics do not report on the SA population specifically, but the context of the whole income tax population may be helpful.

Analysis of customers receiving a PF1 (first late submission penalty), by income decile.

Table 1: Late submission penalties, including penalties later cancelled.

Decile	2020/21		2021/22		2022/23	
	Customers (Thousands)	%	Customers (Thousands)	%	Customers (Thousands)	%
1st	117	10.1%	112	9.6%	92	7.9%
2nd	63	5.5%	60	5.2%	50	4.3%
3rd	48	4.2%	46	4.0%	37	3.2%
4th	42	3.6%	41	3.6%	33	2.9%
5th	40	3.5%	39	3.4%	32	2.7%
6th	37	3.2%	36	3.1%	30	2.6%
7th	35	3.0%	34	3.0%	27	2.4%
8th	31	2.7%	32	2.8%	29	2.4%
9th	37	3.2%	35	3.0%	36	3.1%
10th	45	3.9%	49	4.2%	45	3.9%
Total	495	4.3%	486	4.2%	410	3.5%

Table 2: Late submission penalties, excluding cancelled penalties.

Decile	2020/21		2021/22		2022/23	
	Customers (Thousands)	%	Customers (Thousands)	%	Customers (Thousands)	%
1st	68	5.9%	70	6.0%	62	5.3%
2nd	41	3.5%	42	3.6%	37	3.1%
3rd	32	2.8%	33	2.9%	29	2.5%
4th	28	2.4%	29	2.5%	25	2.2%
5th	27	2.3%	28	2.4%	24	2.0%
6th	25	2.2%	26	2.2%	22	1.9%
7th	23	2.0%	25	2.1%	21	1.8%
8th	21	1.8%	22	1.9%	21	1.8%
9th	25	2.2%	25	2.1%	26	2.3%
10th	32	2.8%	36	3.1%	35	3.0%
Total	320	2.8%	336	2.9%	302	2.6%

Table 3: Late submission penalties, penalties collected.

Decile	2020/21	2021/22	2022/23
	%	%	%
1st	38%	41%	44%
2nd	48%	50%	51%
3rd	53%	55%	56%
4th	55%	57%	58%
5th	55%	58%	58%
6th	56%	58%	58%
7th	57%	60%	60%
8th	58%	60%	61%
9th	59%	62%	62%
10th	68%	68%	68%
Total	52%	54%	56%

Analysis of customers receiving an LPP1 (first late payment penalty), by income decile.

Table 4: Late payment penalties, including penalties later cancelled.

Decile	2020/21		2021/22		2022/23	
	Customers (Thousands)	%	Customers (Thousands)	%	Customers (Thousands)	%
1st	7	0.7%	9	0.7%	3	0.3%
2nd	5	0.4%	5	0.4%	3	0.2%
3rd	6	0.6%	15	1.3%	12	1.0%
4th	47	4.1%	57	4.9%	48	4.1%
5th	54	4.7%	59	5.1%	54	4.7%
6th	64	5.5%	66	5.7%	57	4.9%
7th	65	5.6%	65	5.6%	57	4.9%
8th	60	5.2%	67	5.8%	65	5.6%
9th	70	6.1%	82	7.0%	70	6.0%
10th	56	4.9%	72	6.2%	69	5.9%
Total	434	3.8%	496	4.3%	438	3.8%

Table 5: Late payment penalties, excluding cancelled penalties.

Decile	2020/21		2021/22		2022/23	
	Customers (Thousands)	%	Customers (Thousands)	%	Customers (Thousands)	%
1st	5	0.4%	6	0.5%	2	0.2%
2nd	3	0.3%	3	0.3%	1	0.1%
3rd	4	0.4%	13	1.1%	11	0.9%
4th	42	3.6%	52	4.5%	44	3.8%
5th	48	4.2%	53	4.6%	50	4.3%
6th	57	4.9%	60	5.1%	52	4.5%
7th	58	5.0%	59	5.1%	52	4.5%
8th	54	4.7%	60	5.2%	59	5.0%
9th	60	5.2%	71	6.1%	62	5.3%
10th	45	3.9%	59	5.1%	57	4.9%
Total	374	3.3%	434	3.7%	389	3.3%

Table 6: Late payment penalties, penalties collected.

	2020/21	2021/22	2022/23
Decile	%	%	%
1st	23%	24%	31%
2nd	35%	34%	26%
3rd	42%	50%	40%
4th	54%	54%	41%
5th	56%	55%	44%
6th	61%	59%	46%
7th	63%	60%	49%
8th	66%	64%	53%
9th	65%	63%	53%
10th	66%	66%	56%
Total	61%	59%	49%

Table 7: Income deciles

Decile	2020/21 (£)	2021/22 (£)	2022/23 (£)
1st	5,635	6,420	6,970
2nd	10,180	11,112	11,865
3rd	13,940	14,840	15,537
4th	18,492	19,833	20,863
5th	24,245	25,887	27,276
6th	31,458	33,560	35,625
7th	41,404	44,337	47,396
8th	53,174	56,956	61,169
9th	89,410	99,439	104,846
10th	Over 89,410	Over 99,439	Over 104,846

Notes to tables:

* The percentages quoted in both tables are the percentage of customers receiving a first late filing penalty or Late Payment Penalty out of all customers within each income band.

1. These figures have been produced using an extract of the data provided for analytical purposes; there may be small differences between this and the live SA system.
2. The information provided is correct as of 2 May 2025, though these figures are not final as SA returns will continue to be received after the filing deadline has passed. The counts are rounded to the nearest 1. The percentages are rounded to the nearest 1%.
3. At any point in time small numbers of customers in the lowest three deciles may have a late payment penalty registered for a number of reasons, e.g. compliance activity/stood over penalties/raised determinations. These penalties may be cancelled in the future, or the income figure provided/held may be revised.
4. The calculation of income deciles uses income data specific to each tax year. This means that there are small differences when comparing income deciles across different tax years.
5. The requested figures have been provided as tables in PDF format. This is due to extra data security checks that are needed on all non-PDF electronic formats - these could cause requests to exceed cost limits. We interpret this part of your request as being to make transferring our outputs to e.g. a spreadsheet more efficient. If this is the case, please note instructions can be found online for directly importing tables from PDFs to e.g. Microsoft Excel. Alternatively, if you require additional support, you could request a hard copy to be provided, specifying the format you require.

In comparing the above tables, it should also be noted that there are numerous reasons why penalties can be cancelled. Taxpayers who believe they have incorrectly received a penalty can appeal within 30 days of the date of the penalty notice. Please note, HMRC will cancel penalties where we accept that taxpayers have a reasonable excuse, and that failure has been remedied without unreasonable delay after the excuse has ended. Further information detailing late filing, late payment penalties and the grounds for reasonable excuse appeals are available online at: [Self-Assessment tax returns: Penalties - GOV.UK](https://www.gov.uk/self-assessment-tax-returns/penalties)

HMRC issue SA returns to customers where the information suggests that they meet the published criteria to complete one. HMRC encourage customers to contact us if they believe they do not need to file a return. Where they do so, HMRC will review the position and, if in agreement and if the customer has not yet filed their return, HMRC will withdraw the notice to file and cancel any related late filing penalties. Details of what actions customers need to take is set out in reminder letters and messages every year.

HMRC take a supportive approach to dealing with taxpayers, regardless of income, to get their tax right and we do everything we can to help those in short-term financial difficulty to get out of debt. Taxpayers may be able to set up a payment plan through time to pay arrangement, or alternatively, set up a Budget Payment Plan to make regular payments towards their next tax bill.

If you are not satisfied with our reply, you may request a review within 40 working days of receiving this letter by emailing informationrightsunit@hmrc.gov.uk or by writing to our address at the top.

If you are not content with the outcome of an internal review you can [complain to the Information Commissioner's Office](#).

Yours sincerely,

HM Revenue and Customs