

# Tax paid late is part of the tax gap so why didn't HMRC...

Published: January 14, 2026, 8:49 am

---

The Guardian [notes this morning](#) that the National Audit Office is saying civil servants and ministers have not got to grips with pursuing unpaid taxes, fines and benefit overpayments.

Of this I am quite sure; I have been saying that tax paid late is a part of the UK tax gap for a long time and that many more staff are needed at HMRC to deal with the issue for a very long time. HMRC have persistently denied that this is part of the tax gap or that [their staffing rates](#) are a problem when this is very obviously untrue.

To put this in context though I think the NAO understates the problem. HMRC [collected £475.6 billion on 2012-13](#). Of that [only 86.7% was on time](#), in itself a cause for concern, whilst the 97.1% rate for tax paid within 90 days curiously omits data for VAT - where by far the biggest problem with tax paid late appears to arise.

No wonder Lin H0mer, HMRC permanent secretary says in her report:

*We plan to put an increasing focus on tackling debt and tax credits fraud and error. We are launching a new private-sector trial alongside our own efforts, and stepping up preparations for the switch to Universal Credit.*

This is yet another example of a situation where action was obviously required long ago [and PCS and I rightly pointed it out](#).

*On the other hand, precisely the wrong action is being chosen. Private sector debt collectors have no chance of dealing with the obvious defence for all tax debt, which is that the sum claimed is wrong and needs to be reviewed before collection can proceed. The assumption that it's like collecting the overdue sum on a credit sales account is naive in the extreme.*

*Expect another costly failure requiring further consideration by the Public Accounts Committee sometime soon.*