

## TOP TEN TIPS ON HOW TO AVOID A MACHINE GAMES DUTY (MGD) PENALTY

### 1. Register on time

Machine Games Duty is a duty of excise charged on playing 'dutiabale machine games' in the UK. A machine game is dutiable and subject to MGD if at least one of the prizes that can be won is, or includes, cash to a value greater than the cost to play once. If you are offering dutiable machine games for play on premises not covered by an MGD Registration you could be liable to a penalty under Schedule 41 of the Finance Act 2008. If you are responsible for premises offering dutiable machine games and are not already registered, it is important that you register immediately. The longer you delay the more you may have to pay.

### 2. File and pay your return on time

Your completed MGD return must be with HMRC by the 30th day following the end of the return period. If the 30<sup>th</sup> day falls on a weekend or bank holiday, your return and payment must reach HMRC by the **previous** working day. **Please see overleaf for 2014/15 deadline dates.**

### 3. If you file your return online, set up a Direct Debit Variable Payment Plan (VPP) on time

If you file your return online HMRC recommends that you set up a Direct Debit Variable Payment Plan (VPP) to pay the duty due on your returns. You need to sign up to use HMRC's MGD Online service in order to pay by Direct Debit. The Direct Debit Instruction (DDI) must be set up at least 10 bank working days before your online MGD return is submitted.

### 4. Post your completed MGD paper return to HMRC on time

On the back of your MGD Certificate of Registration document you will find details of the month in which each of your four accounting periods ends - each accounting period ends on the last day of the month. After the end of each period, you need to make a return and pay what you owe. You should send your return and payment (if paying by cheque) in the envelope provided. Please ensure that you allow enough time for the post to reach HMRC by the due date. **Please see overleaf for 2014/15 deadline dates.**

### 5. Allow time for banking /postal delays

You should allow for possible delays in bank processing/postal delays. You must ensure that payments are processed in good time so as to arrive with HMRC by the due date.

### 6. Fill in your return correctly

You must fill in all the relevant boxes on the return, ensuring you have provided the correct information and in the correct format (Notice 452:MGD Section 26 provides examples of how to complete a return).

### 7. Seasonal businesses

You must make a return for every period even if there is no MGD to pay. So if you do not have any machine games takings in a period, you must still submit a return with "0" entered in the boxes as appropriate.

### 8. Changes to your registration.

You must notify HMRC immediately of any changes to your registration details. If you have ceased trading, you need to tell us that you want to deregister. If you have signed up to use the MGD Online Service, you can notify HMRC online or you can write to the National Registration Unit (NRU)

### 9. Filing your MGD return online

Remember, you can always file your return online. To get started you will need to sign up to use HMRC's MGD Online service. For information on how to do this go to <http://www.hmrc.gov.uk/machinegamesduty/mgd-file-online.htm>

### 10. Where can I get more help?

All Information about MGD is available on the HMRC website [www.hmrc.gov.uk/machinegamesduty/](http://www.hmrc.gov.uk/machinegamesduty/) (see overleaf about where you can find out more information about MGD)

More detailed information can be found on

'[How to pay MGD](#)' go to [www.hmrc.gov.uk](http://www.hmrc.gov.uk) and select Paying HMRC within the Quick links facility (left hand side)

Full guidance on all aspects of MGD can be found in [HMRC Notice 452: Machine Games Duty](#) at [www.hmrc.gov.uk](http://www.hmrc.gov.uk) > Quick links (left hand side) – Library, Official Statistics > Publications > Notices, Information Sheets and other reference materials > Excise duties, environmental taxes and other duties and taxes > Gambling > Public Notices > Machine Games Duty

### Return & Payment deadlines from the 1 January 2014 to 31 March 2015

The table below shows the return and payment deadlines for the tax year 2014/15

Accounting period ending	Deadline for MGD return and payment
31 March 2014	30 April 2014
30 April 2014	30 May 2014
31 May 2014	30 June 2014
30 June 2014	30 July 2014
31 July 2014	29 August 2014
31 August 2014	30 September 2014
30 September 2014	30 October 2014
31 October 2014	28 November 2014
30 November 2014	30 December 2014
31 December 2014	30 January 2015
31 January 2015	27 February 2015
28 February 2015	30 March 2015

**Please note:** These dates do not apply for those MGD customers who have opted for Non-Standard Accounting Periods (NSTPs).