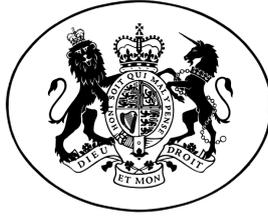


[2012] UKFTT 18 (TC)



**TC01717**

**Appeal number: TC/2010/09566**

*VAT - DEFAULT SURCHARGE – excuse put forward not causative of default – no reasonable excuse – appeal dismissed.*

**FIRST-TIER TRIBUNAL**

**TAX**

**ALTCROSS BUSINESS CONSULTANTS LIMITED**

**Appellant**

**- and -**

**THE COMMISSIONERS FOR HER MAJESTY'S  
REVENUE AND CUSTOMS**

**Respondents**

**TRIBUNAL: JUDGE RICHARD BARLOW**

**Sitting in public at Manchester on 25 November 2011.**

**Mr S A Piggott, director, for the Appellant**

**Mrs L Fletcher of the office of the General Counsel and Solicitor to HM Revenue and Customs, for the Respondents**

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## DECISION

1. At the beginning of this hearing I directed, with the agreement of HMR, that this appeal should be re-instated despite the appellant having withdrawn it. That was  
5 because the withdrawal had been caused by an error in a letter from HMRC in which the reference for this appeal was quoted when they withdrew a default surcharge for a different company which led the appellant to believe its default surcharges had been withdrawn and so accordingly withdrew the appeal.

2. The appellant appeals against surcharges imposed in the sums of £407.39 for  
10 period 05/09, £363.32 for period 11/09 and £456.79 for period 02/10; all at the 15% rate.

3. Mr Piggott, the director of the appellant, put forward as a reasonable excuse for the late payments in those periods the fact that his sister, who had been involved in managing a different company in Truro for which Mr Piggott had been running the  
15 back office, had personal problems which meant that from June 2009 he had had to take on extra responsibilities for the other company.

4. I am not satisfied that that provides a reasonable excuse for the late payments of the appellant's tax. The appellant had defaulted on several occasions before the 05/09 period, which was the first period that might have been affected by Mr Piggott's  
20 sister's problems, as is shown by the fact that the surcharge for 05/09 is at 15%.

5. The evidence does not prove that the personal problems of Mr Piggott's sister caused the late payments in the periods under appeal and so, however sympathetic the Tribunal may be about those problems, they do not constitute a reasonable excuse as any excuse in order to be relevant must, at least, be causative of the default in  
25 question.

6. The appeal is dismissed and the surcharges are payable.

7. This document contains full findings of fact and reasons for the decision. Any party dissatisfied with this decision has a right to apply for permission to appeal against it pursuant to Rule 39 of the Tribunal Procedure (First-tier Tribunal) (Tax Chamber) Rules 2009. The application must be received by this Tribunal not later  
30 than 56 days after this decision is sent to that party. The parties are referred to "Guidance to accompany a Decision from the First-tier Tribunal (Tax Chamber)" which accompanies and forms part of this decision notice.

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**RICHARD BARLOW**

**TRIBUNAL JUDGE**

**RELEASE DATE: 5 January 2012**

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