

VAT Funding

By Paul Surtees

The amount of VAT that you'll need to pay each quarter will increase as your customer base and revenue grows over time.

Whilst no business will ever complain about a rise in sales, the reality is that these larger, regular payments could leave you short on cash flow if you haven't provisioned sufficiently, restricting your business activities in the following weeks and months.

Failing to make timely VAT payments can lead to enforcement action from HMRC, potentially resulting in debt collection, court action or even a winding up order.

Fortunately, help is at hand. There are a number of short term borrowing options which can be used to provide your business with a much needed financial boost. Read on to learn more about how VAT funding can help your business to overcome the challenges posed by these regular, but essential, outlays.

WHAT FUNDING OPTIONS ARE AVAILABLE?

The major plus of using finance to settle a VAT bill is that it gives your business the leeway to spread the payments over a chosen number of months. This can help to remove some of the immediate strain from your cash flow, allowing you to focus this money on other areas of your business.

[Working capital finance](#) is an excellent resource for businesses which need fast access to cash. These multi-purpose loans can be used to cover almost any business costs, including VAT bills, and can be repaid over just a few months whilst your company adapts to larger VAT payments.

You may find that you need ongoing help with your VAT bills, particularly during times of accelerated growth, and so you'll be able to pay off and take on new [working capital finance](#) agreements as and when you need them.



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As with the working capital option, a [merchant cash advance](#) can be used for a variety of business expenditures. This solution is only available to businesses who take regular credit card payments from their customers as the amount borrowed is paid back with each future transaction.

They are usually offered on a flexible basis with repayment designed to take months rather than years. They are therefore more commonly used to cover just one or two VAT payments rather than as a longer term solution. There are exceptions to this rule however and you'll be able to explore each different lender once your Capitalise profile is up and running.

WHY CAPITALISE?

It can be stressful enough trying to deal with an unexpectedly large VAT bill without the added hassle of trying to source a competitive solution from each individual lender.

At Capitalise, we work with industry-specific lenders from across the UK who specialise in helping businesses to fund their VAT payments. It's all well and good finding a lender that will accept you, but finding a finance partner with extensive experience within your sector is a different challenge altogether.

Capitalise uses an intuitive finance matching platform to help you find a lender that can service the exact needs of your business. It takes just a few minutes to complete your online profile and you'll then be able to make multiple applications to your matched funding partners with the click of a button.

Our lenders understand the time pressures that come with settling VAT bills and many can provide the capital you need within as little as 24 hours. You can even add accountants and other business partners onto your profile, and they'll be able to upload any key documents or supporting evidence which you don't have immediately to hand.

Take away the stress of large VAT payments by starting your funding search today with Capitalise.com or register with our service for more information on the financial support available to your business.