

SELF ASSESSMENT FAQs 2018/19

Who has to do a tax return?

Company directors, those who have untaxed income (such as rental, or dividends), self-employed, those with income over £100,000, those who need to repay child benefit, or have made a capital gain.

<https://www.gov.uk/self-assessment-tax-returns/who-must-send-a-tax-return>

If you have not already registered, please do so as soon as possible using the following link:

<https://www.gov.uk/register-for-self-assessment/overview>

When is the tax due?

Both the tax due, and the return is due by 31 January 2020.

What if the return is late?

There is an automatic £100 penalty for a return up to 3 months late, then a daily £10 penalty should the return be later than this.

<https://www.gov.uk/self-assessment-tax-returns/penalties>

What if I pay late?

Interest is payable at 3.25% on late payments; and penalties of 5% of tax if paid 30 days late, with a further 5% if unpaid after 6 months.

What are payments on account?

Payments on account are payments made towards next year's tax bill.

Two payments are made, the first, for 50% of last year's bill on 31 January 2020, and a further 50% toward next year due before the 31 July 2020.

What information do we need?

Alongside personal information, we need details of your other income, aside from the salary and dividends you have earned through your own company – Please see the checklist.

When do I need to provide this?

As soon as possible, but by 30th September 2019 in order to meet the 31 January 2020 deadline. Contact us as early as possible if you will not be able to do this.

What is a UTR?

A 'unique tax reference' to identify you as a tax payer. **We need this to file the return.** HMRC will issue this when you register for self-assessment if you are not already registered.

What if I do not have a UTR?

You need to register with HMRC. You can do this here: <https://online.hmrc.gov.uk/shortforms/form/SA1>

What should I do if I cannot find a document – such as P45?

You can provide basic information, such as the amount received, and tax deducted, and we can advise if sufficient.

Alongside income tax, what else might I have to pay?

Student loan repayments could be due and if you earn over £50,000 and receive child benefit, some could be clawed back. Please highlight on your checklist should any of this be relevant.

How can I reduce my tax bill?

Donations to charity and contributions to pension schemes can obtain tax relief.

Also, investments in certain companies can act as a tax reducer, such as EIS, SEIS, VCT and SI.

What if I think my tax bill will be lower next year?

You could reduce your payments on account, if you expect less income, or more will be taxed at source, for example, by receiving a salary. Please advise your accountant if you think this will be the case.