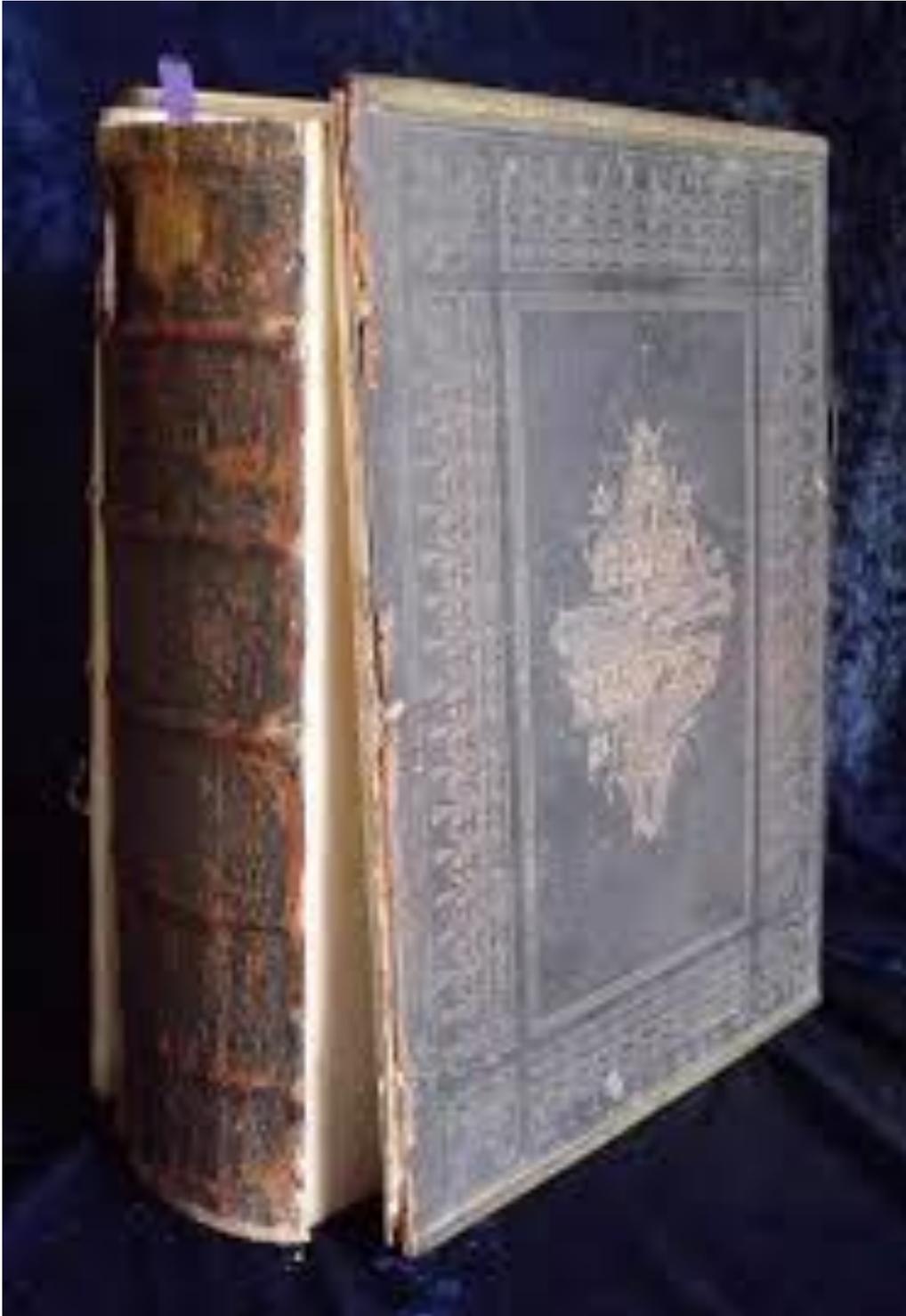


Advice Bible



Key Information

Volunteer Log in

User Name.....

Password.....

ThankQ Log in

User Name

Password.....

Call handling Log in

User Name

Password.....

CCH Log in

User Name

Password.....

Website members area

User Name

Password.....

Our Address:

Unit 2

33 Stannary Street

London

SE11 4AA

Telephone Number 020 7803 4950

Fax Number 020 7803 4955

Contents

[Flowchart](#)

[Scripts](#)

[Core Helpline Skills](#)

[Helpline Admin](#)

[Logging on / Slack / Info needed from call](#)

Answer Machine message

[TaxAid telephone numbers](#)

[Call Aide Memoire](#)

[Appointments](#)

[Volunteer list - preferred work](#)

Handing off cases to NES

Handing off cases to Deloitte

Writing up a CAR

Common helpline issues

[P800 / P800 into SA](#)

[Current PAYE Code](#)

[Determinations / Special Relief](#)

[Enquiry](#)

[Tax Debt](#)

[Late Filing Penalties](#)

[Newly self-employed](#)

[Employed v self-employed](#)

Claiming a PAYE refund

[Foster/Qualifying Carers](#)

[Marriage Allowance](#)

[Personal Tax Account](#)

[How to complete a Self Assessment tax return](#)

[Technical material](#)

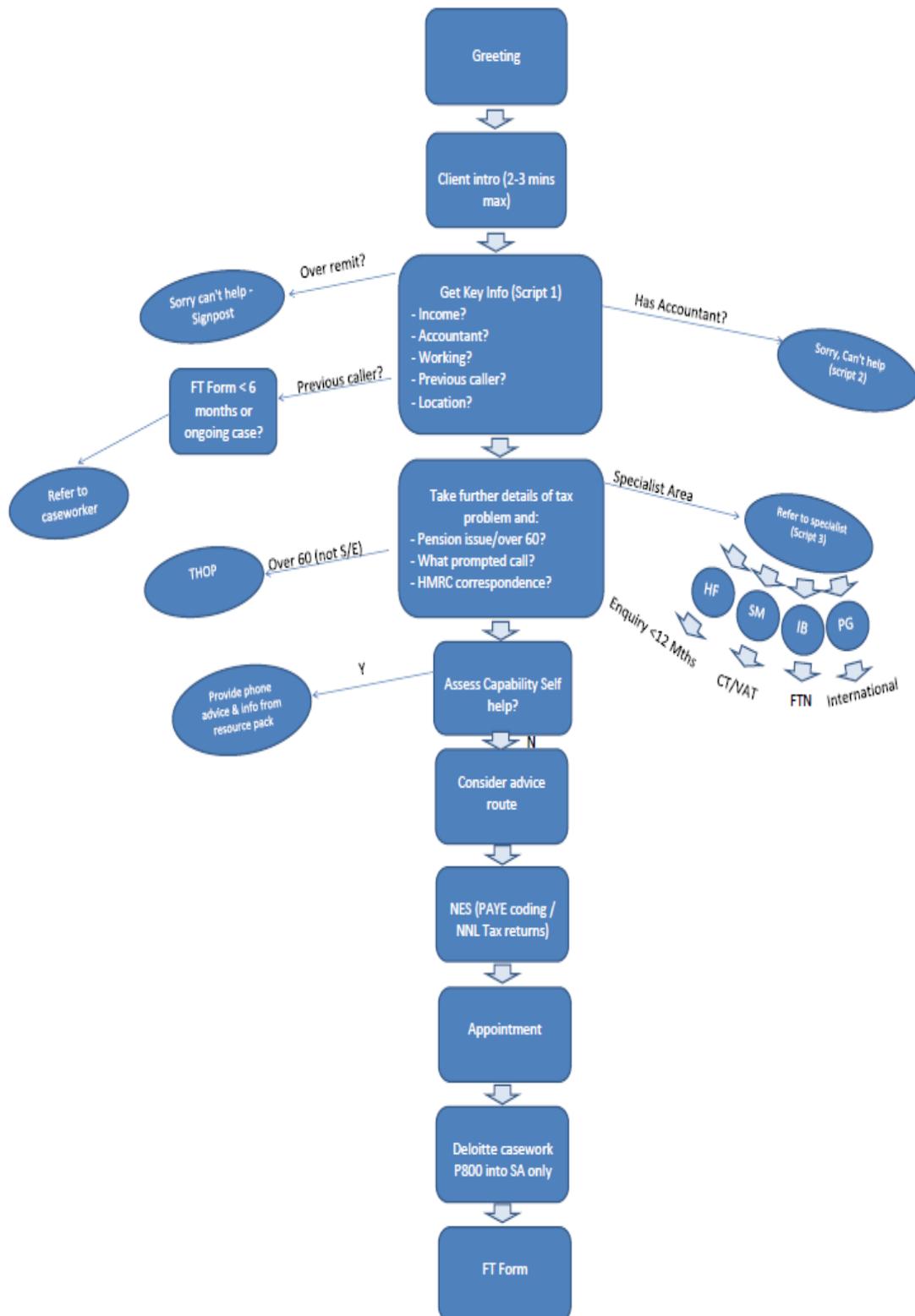
[LITRG Guides](#)

[Signposting](#)

[UK Area Codes](#)

[Map of the UK](#)

Flowchart



Scripts

Script 1 – first time caller.

Have you called TaxAid before? [No].

In which case, as a first time caller I would just like to explain a few things about our service. TaxAid is a charity that helps those on low incomes with their tax problems. We are not HMRC and do not have access to your records. So that I can confirm that you are eligible for our assistance, can you please tell me what your current situation is? Are you employed/self-employed/on benefits? (if self-employed), Do you have an accountant?. (if working), And how much are you paid weekly or monthly?

(If TP is resistant to providing details of their income for the purposes of establishing whether s/he is within remit): As a charity we are only funded to help those on low incomes so we do need to know what your level of income is please.

Signpost [hypertext link needed] where appropriate.

Script 2 – has an accountant

HMRC's position is that it is the responsibility of the taxpayer to ensure their tax affairs are in order and not the responsibility of their accountant. It is therefore really important that if you feel that your accountant is not representing your best interests or failing to act on your behalf that you take some action.

[select which of the following apply – may be more than one]

- If you can't afford to pay your accountant, try and speak to them and offer whatever you can afford or talk to them about paying them monthly over a period of time. Most accountants are happy to discuss this.
- If you feel your accountant has made a mistake or hasn't done something that they should have done, you should discuss this with them and try and come to an agreement as to how the problem can be resolved.

If you really feel your relationship with your accountant is beyond repair, you can either appoint another accountant or choose to represent yourself. TaxAid cannot represent you or provide you with ongoing compliance services but we can provide you with advice and support if you choose to deal with your tax affairs by yourself going forward. HMRC can also provide you with free assistance – for example, they can arrange face to face appointments for clients who need extra support.

As you currently have an accountant, we are unable to provide you with advice but we can send you some information

Script 3 – specialist area

As your query relates to [specialist area], the person best placed to advise you is my colleague [name of staff member]. Please hold the line while I see if they are available.

Transfer call or if specialist adviser not available, take caller details and pass info to adviser for a call back.

Core Helpline Skills

[insert Helpline Association handouts]

Helpline Admin

Logging on

- Ideally log on at least 10 minutes before the start of your helpline session in case of complications.
- Familiarise yourself with appointment availability and any current messages on Slack (see below).
- Via www.callhandling.co.uk using your user ID and password.
- Or if the website is experiencing problems, you can log in by phone by dialling 0800 138 6509. You will need your and 4 digit passcode.
- Open Advice Bible on your PC/laptop

Slack (instant messaging system)

- for communication with TaxAid staff and others on the helpline.
- Intended for 'on the day' info such as lost calls, difficult clients, problems with the helpline, late logging on etc

Client information required

See Telephone Call Aide Memoire [hypertext link needed]

Deloitte / MKPMG cases – also need to arrange for verbal consent.

Answer Machine Message

Thank you for calling TaxAid's helpline.

TaxAid provides free and confidential tax advice for people on low incomes.

If you are calling regarding Tax Credits, you will need to contact your local Citizens Advice Bureau as we do not give Tax Credits advice.

If you are over 60 and are not self-employed please call Tax Help for Older People on 01308 488066.

Please note that calls may be recorded for quality and training purposes.

<u>Name</u>	<u>EXT</u>	<u>DDI</u>		
Gary Millner	226	020 78034952	<u>TaxAid Fax Number</u>	020 78034955
Valerie Boggs	244	020 37479003	<u>Fast Track Tel Number</u>	03000 545 709
Karen Clark Spare (opposite Gary)	221 235	020 78034950 79219571	<u>Fast Track Speed Dial</u>	2
Ian Browne	231	020 79219573	<u>Fast Track Fax Number</u>	03000 568 302
Sam - Office	234	020 79219576	<u>NCI Tel Number</u>	0193 226 0500
Yeshie Trotman	227	020 78034953	<u>NCI Speed Dial</u>	3
Sue/Paul	232	020 37479002	<u>Number for Handovers to NES</u>	0300 200 7945
Richard Leszczynski	237	020 37479005	<u>NES Speed Dial</u>	4
Stephen Murphy	238	020 79219575	<u>Tax Help</u>	01308 488066
Harry Fulton	233	78034958	<u>Tax Help Speed Dial</u>	5
Meeting Room 1	224	020 37479006	TaxAid Public Helpline	0345 120 3779
Meeting Room 2	225	020 37479013	TaxAid VCS Helpline	0300 330 5477
<u>Numbers for Remote Working</u>			TaxAid NES Helpline	0300 330 5478
Valerie Boggs	230	020 79219574		
Sam Stent	245	020 37479024		
Paul Grey	229	020 79219578		
Sue Ewing	228	0207 78034957		
Ian Browne	222	9219572		

Telephone Call Aide Memoire

Hello Tax Aid,speaking, how may I help you?	
May I interrupt you briefly before you tell me any more, could I ask , have you called Tax Aid before? [script 1]	
First Name	
Surname	
Contact Tel No	
Where are you calling from (nearest town)	
Email address (TaxAid case only)	
How did you hear about Tax Aid?	
Current status (employed/JSA/ESA etc)	
Address (TaxAid case only)	
Post Code	
Annual Income	
NINO (NES handoffs only)	

Appointments

London Appointments

1. Decide which volunteer to use (see Volunteer List – Preferred Work).
2. Advise the client of the time and date of the appointment and let them know the cancellation policy. They will receive a call/text reminder of the appointment the day before.
3. Update Googlecal.
4. Set up a separate CAR for the appointment.
5. Issue the appointment letter (no need to name the adviser). Volunteer advisers – prepare the appointment letter and email Karen with TQ serial number. Karen will issue the letter.

Outreach Appointments

1. Advise the client of the time and date of the appointment and let them know the cancellation policy. They will receive a call/text reminder of the appointment the day before.
2. Update Googlecal.
3. Set up a separate CAR for the appointment.
4. Issue the appointment letter (no need to name the adviser). Volunteer advisers – prepare the appointment letter and email Karen with TQ serial number. Karen will issue the letter.
5. Prepare a note for the volunteer on the appointment CAR to let them know what you would like them to do at the appointment.

Don't forget we can reimburse fares.

Enquiry Appointments - Hayley Ives

Hayley Ives at the firm Crowe Clark Whitehill (CCW) has offered to speak with TaxAid clients who are under enquiry or where an enquiry has recently closed. CCW runs it's own helpline for enquiry clients so they are used to this kind of work.

We generally only get 1 or 2 helpline calls per month that meet the criteria (which I will detail later) but when we get them they can be quite long. The thought is that instead of us giving clients pointers/next steps advice we can get the client off the helpline quickly and book them a telephone appointment with Hayley who can give pointers and next steps advice. Pointers and next steps would essentially be giving the client a to-do list of actions to take like - get bank statements, list income, forms of evidence etc. i.e. it is not agreeing to deal with the enquiry but giving them info on what to do next and how enquiries generally run. Hayley can also review enquiry documentation prior to a call – to give a bit more detail than TaxAid would generally.

Criteria for referral

This route is suitable for the following clients:

1. They are at the start or in the midst of an enquiry into their tax affairs.
2. Their enquiry was closed in the last six months or so.

The client may be disputing facts or need advice on tax law – or they may want to dispute the level of penalty imposed.

If the client does not meet the criteria – then their situation is unlikely to be ameliorated and it would be a matter of giving clients next steps (i.e. their right to a late appeal etc.) & tax debt advice as we do already.

Last reviewed 14 June 2018

Actions you need to take

As soon as you discover that the client meets the criteria you need to take the following steps:

1. Explain that TaxAid does not have the resources to take on enquiry cases.
2. Offer them a telephone appointment with Hayley Ives at CCW who can give pointers and next steps advice.
3. You can say that CCW runs a helpline for enquiry cases and have donated telephone appointments once a month especially for callers to TaxAid. Explain that it is limited to one telephone call lasting 30 minutes (although there is flexibility to offer a 'double session' i.e. 1 hour and Hayley has said that she might on a case by case basis offer a follow-up telephone appointment). If the clients have the initial enquiry letter or closure letter – or (say) four or five HMRC letters then, if they scan it to info@taxaid.org.uk, we can pass it on Hayley. NB It is not necessary for documentation to be produced and Hayley can just get the info via the telephone appointment. Do explain that Hayley/CCW will not be taking on their case and the limitation of the involvement. Give them a time and the telephone number for Hayley: 020 7842 7394.
4. Book google calendar. There are appointments available on the last Wednesday of every month 2.30pm, 3pm, 3.30pm and 4.30pm – and these are shown as London appointments. They are labelled 'Hayley Ives – Telephone'.
5. Do your helpline record as usual which will have the client's contact information and a brief summary of their situation which will be sent to Hayley.
6. Do a separate record, pending appointment, set up in Hayley Ives name – which will then be completed by Hayley with details of the telephone call.

VOLUNTEER LIST - PREFERRED WORK

Updated 13 June 2018

		<u>Active or Dormant?</u>	<u>TRs ON</u> <u>CCH</u>	<u>TRS - HMRC</u> <u>ONLINE</u>	<u>P800</u> <u>CASES</u>	<u>SPECIAL</u> <u>RELIEF</u>	<u>FAILURE TO</u> <u>NOTIFY (major)</u>	<u>VAT</u>	<u>INTER-</u> <u>NATIONAL</u>	<u>TRIBUNALS</u>	<u>ENQUIRY</u>	<u>CORP</u> <u>TAX</u>
Clive	Alley	D	✓	✓	✓							
Colin	Anderson	A	✓	✓	✓	✓	NO	✓		NO	✓	✓
Richard	Bacon	A	✓	✓	✓	✓					✓	
Sharon	Brayne	A	✓	✓	✓							
Rupert	Browne	A	✓	✓	✓							
Frances	Corrie	D	✓	✓	✓	✓	✓		✓	✓	✓	NO
Olu	Dada	A	✓	✓	✓		NO	NO	NO	NO	NO	NO
Andrew	Disley	A	✓	✓	✓		NO	NO		NO	✓	✓
Steve	Hoy	A	✓	✓	✓							
Terry	Julian	A	✓	✓	✓	✓			✓			
Barry	Kernon	A	✓	✓	✓		NO	✓		NO	NO	NO
Humphrey	Marten	A	✓	✓	✓							
Chris	Moody	A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Nicola	Myatt	A	✓	✓	✓		NO	✓		NO	✓	✓
Nicola	Robinson	A	✓	✓	✓	✓	✓	✓	✓	NO	NO	✓
Julian	Stafford	A	✓	✓	✓	✓	✓			✓	✓	
Barry	Whiffin	A	✓	✓	✓	✓	✓	NO		✓	✓	✓
David	Wittich	A	✓	✓	✓	✓	✓			NO	NO	✓

Handing clients off to HMRC's Needs Extra Support team (NES)

TaxAid can hand clients off to HMRC's Needs Extra Support team (NES). This can be done by a direct telephone transfer during a call with the client (including during the initial call to the helpline) or by sending an escalation email via special webform to NES asking them to contact the client.

Suitable cases to hand off to NES

Before handing a client off to NES, the adviser needs to be satisfied that the client has at least one of the 'Drivers of Need' specified by HMRC. Provided that a driver of need is present, clients should be transferred to NES to help with the following:

- Preparation of tax returns where the client has the figures to put in the return and the client will have no tax or NI liability. The NES adviser will not be able to help the client arrive at estimated figures.
- Cancelling self assessment tax returns where there was no criteria for self assessment
- Queries about PAYE codes
- Obtaining information held by HMRC for tax returns, e.g. P60s, Construction Industry Scheme records
- Tax Credit queries where the client is not in dispute with HMRC
- Help the client liaise with DMB over time to pay arrangements
- NES can offer face-to-face appointments and also translation services

Handing clients off to NES during a helpline call

It is possible to hand clients over to NES during a helpline call. The Call Handling system allows an adviser to speak to the NES team first (whilst the client is put on hold) and then to complete the transfer.

It is important that the driver of need is established as the NES adviser may ask for this before accepting the call.

The TaxAid adviser should give a brief description of the issue to the NES adviser and an outline of what they believe NES can do for the client.

It is important to take the client's NI number and note this in the TQ record.

The client should also be made aware that they can come back to TaxAid if they need further help.

Handing clients off to NES via secure electronic email

It is also possible to transfer a client off to NES via a secure electronic email. This is similar to the KANA system for VSTRS, but a short description is required of the problem.

The email form should include a description of the issue, client's name, address, date of birth, NI number and contact telephone numbers with an indication of the best time of day to call and whether messages can be left.

HMRC's drivers of need for the NES service

- Confidence
- Ability

- Access
- HMRC driven need (i.e. confusing letters, mistakes on HMRC's part, undue delays)
- Complexity of situation
- Mental/Emotional state

Handing off cases to Deloitte

Criteria for cases to be suitable to delegate to remote casework volunteers:

- This is casework, so the location of the caller is not relevant.
- P800 either now in SA or not

Procedure to follow (essentially write up the case and arrange for recorded consent) if your caller meets the criteria:

- Explain you need to take consent in order to speak to HMRC (as you would normally do)
- Explain that you can take this consent by a recording and that you would like to arrange when you can call them back to take that recording. Please try to arrange the recording for just after the helpline, ie between 12 and 1pm on the same day as the helpline call. If lunchtime on the same day does not suit, arrange another suitable time.
- Put their name and TQ serial number in the diary and write up the case as usual, make sure you have made a note of the client's name, address and contact number on ThankQ. On your initial call record the details of the call and instructions for the volunteer in your own name, when it has been delegated to Deloitte a new record will be set up and your record closed.
- Send an email to Karen/Yeshie to let them know when you arranged for them to obtain recorded consent, providing them with the serial number of the client who needs recorded consent, making sure the client contact details are on ThankQ, ie name, address and mobile number.
- Tell the caller that we will be back in touch when we have spoken to HMRC much as you would do if you issued a paper fast track form.

The casework will then be passed to Deloitte. The volunteers will then be given a deadline to meet in order to meet our 10 day from consent commitment.

Writing up a CAR

Procedure for The Client Advice Record (CAR)

The client record is important to TaxAid for a number of reasons:-

- it provides written evidence of the advice given;
- it enables another adviser to take over the case;
- it enables advice to be reviewed
- it provides statistical information regarding various aspects of our client base, which is vital for tracking clients' needs (and gives opportunities for fundraising purposes).

These notes are designed to ensure consistency across all advisers and therefore provide more reliable information for the organisation. *It is important to include all topics of advice given because it enables us to gauge more accurately the changing scope of clients' needs and thus be in a position to meet them.*

[TBC]

Common Helpline Issues

P800 / P800 into SA

If TP is within remit, allocate to Deloitte and arrange for verbal consent to be taken.

If no Deloitte slots available, issue FT Form.

If not within remit and/or TP is capable of d/w themselves, you can email the following info to them which includes link to LITRG Guide.

If you have never been self-employed or been required to complete Self Assessment tax returns for some other reason, it is likely that HMRC has issued these tax returns to collect an underpayment of tax through PAYE. The PAYE system does not always collect the correct amount of tax, especially where an employee has had more than one employment/pension, has changed jobs, has had periods on benefits or there have been other changes in circumstances. HMRC checks each taxpayer's record at the end of each tax year and contacts taxpayers who have under or over paid tax. Most underpayments are collected by amending the taxpayer's tax code in the following tax year but where this is not possible (e.g. where the taxpayer is no longer employed) HMRC will ask for voluntary payment. Where voluntary payment is not made, HMRC will issue tax returns to collect the underpayment, as this is the only way in which they can legally enforce the debt.

You should start by locating the original tax calculations from HMRC. You should check the figures on these calculations back to your underlying records such as P60s/P45s etc. If you do not have copies of the calculations or cannot agree the figures for income and tax deducted, you should phone HMRC on 0300 200 3300 to ask them for copies of the calculations and/or a full breakdown of the income figures.

Once you have this information it should become clearer why any underpayments have arisen. You should contact HMRC again if any of their information is wrong, or if there are grounds to dispute the underpayment on the grounds of HMRC delay or employer error - see <http://www.litrg.org.uk/tax-guides/employed/what-if-i-do-not-pay-enough-tax> for more information and sample letters you can use.

Unless you can successfully challenge the underpayment (or HMRC has issued a return for a year for which there is no underpayment) you will need to complete the tax returns that have been issued to you. HMRC can assist you to do this, if necessary (if HMRC agrees that you should not have to pay the underpayment, they will cancel the tax returns and late filing penalties).

Common Helpline Issues

Current PAYE Code

HMRC should have sent you a PAYE Coding Notice which should explain how your new tax code has been calculated. I suggest that you start by finding this document and then check the details of how the code has been arrived at. If you have not received a paper copy of the Coding Notice you can obtain it by logging on to your Personal Tax Account (<https://www.gov.uk/personal-tax-account>)

The standard tax code for the 2018/19 tax year for someone with one job and no other income is 1185L (giving allowances of £11,850). There are a number of reasons why you might correctly be on a different tax code. These include:

1. Having another source of taxable income (e.g. another job, pension, or taxable state benefit)
2. HMRC collecting a PAYE underpayment for a previous year by adjusting your tax code for the current year (see <http://taxaid.org.uk/guides/taxpayers/tax-debt/payee> for advice in this situation)
3. A taxable benefit (e.g. Company Car, Private Medical Insurance) provided by an employer
4. HMRC collecting a debt due under Self Assessment or a Tax Credit overpayment

See <http://www.litrg.org.uk/tax-guides/employed/how-do-i-check-my-coding-notice> for further information about tax codes.

If you cannot find your PAYE Coding Notice or are still unsure about your code you should phone HMRC on 0300 200 3300. Their lines are extremely busy – we recommend phoning when they open at 8am. We do not recommend writing as HMRC currently has a large backlog of mail.

If your code is incorrect and a new one is issued by HMRC to your employer, any excess tax deducted as a result of an incorrect code will be made through the payroll system.

Common Helpline Issues

Newly self-employed

Here is some information for the newly self-employed which I hope you will find helpful:

- 1) Register as Self-Employed with HMRC. The law says that this must be done within 6 months of the end of the tax year in which the income starts - so as the current tax year ends on 5 April 2019 that means notifying HMRC by 5 October 2019 if you start self-employment before then. However, the best advice is to register straightaway once you start to trade. The easiest way to register is to do it on-line on the HMRC website: <https://online.hmrc.gov.uk/registration/newbusiness/introduction> or you can phone the Newly Self Employed Helpline on 0300 200 3504.
- 2) Keep good records: you are required by law to keep business records for at least 6 years - that means details of income, and receipts for expenditure. You don't send receipts in with your tax returns, but you may be asked by HMRC to produce them in the event of an enquiry into your tax returns. You should also need to keep a record of business mileage if applicable. If there are lots of transactions, it is recommended that you open a separate bank account for your business and keep business receipts and payments separate from your other accounts.
- 3) Save for your tax bill: you can calculate how much your first self-employed tax bill might be by using the HMRC ready-reckoner at <http://www.hmrc.gov.uk/tools/sa-ready-reckoner/index.htm>. In your first year of Self-Employment the tax on your profits is payable on 31st January following the end of the tax year. However, depending on how much tax you owe, you may also have to make a payment on account for the following tax year on that date too - so the first tax bill can come as a nasty shock.
- 4) Submit the Return: HMRC will send you a one page "Notice to File a Tax Return" at the end of the tax year. The deadlines for filing the returns are 31st January following the end of the tax year for online returns, but paper returns need to be filed earlier, by 31st October. Get it in early as late filing penalties can be as much as £1,600!!!

To file on paper you can ask HMRC on 0300 200 3310 to send you paper forms or print them from the HMRC website

<http://search2.hmrc.gov.uk/kb5/hmrc/forms/selfassessmentforms.page#h2030>.

To file online you need to be registered for online filing on HMRC's website. You create an account by following this link: <https://online.hmrc.gov.uk/registration>. You are then sent an Activation Code to your address which you have to use within 28 days of receiving. You can do this as soon as you have received your UTR (unique taxpayer reference) number from HMRC (usually issued about 6 weeks after registration).

When you complete your tax return online, you will be asked a series of questions to identify which sections of the return you need to complete (all taxable income sources need to be reported, not just Self-Employment income). In the Self-Employment section you will your income and expenditure figures for the year.

The online return automatically produces a calculation of taxable income: very broadly speaking this is your Income less your Expenditure, less your Personal Allowance (£11,850 in

2018/2019). Tax is then calculated at 20% on this amount. You also pay 2 types of National Insurance if you're self-employed:

- Class 2 if your profits are £6,205 or more a year
- Class 4 if your profits are £8,424 or more a year

If your income is below £6,205 per year, you can still pay Voluntary class 2 NICs (there will be a tick box on the tax return to allow for this).

- If you are not sure about filing your first tax return by yourself you have the option of seeking professional advice or you can contact HMRC's Self Assessment Helpline on 0300 200 3310 who can talk you through completion of the tax return.
- 5) Pay the tax! If you think you won't be able to pay your tax bill in one go by the due date, contact HMRC's Business Payment Support Service on 0300 200 3835 before the due date. The sooner you speak to them the better; don't wait until they chase you as you will then start incurring interest and late payment penalties in addition to the tax you owe. You will not necessarily receive a payment reminder before the due date, so note it in your diary.
- 6) If your plans change and you cease trading it is very important to let HMRC know or you will remain in the Self Assessment system and continue to be issued with tax returns and charged penalties if these are not filed. Often taxpayers forget to file the tax return for the final year of trading. Notify HMRC that you have ceased trading by completing this form:
<http://www.hmrc.gov.uk/dealingwith/changes/close-sell-business.htm#1>

Finally, HMRC have a useful webinar entitled "Self-employment and HMRC – what you need to know". This can be accessed at the link below and is certainly worth watching:

<http://www.hmrc.gov.uk/webinars/self-employed.htm#3>

More online advice and support for new businesses can be found at
<http://www.hmrc.gov.uk/startingup/#2>

Employed v self-employed

In summary, if TP thinks s/he was employed but employer has not operated PAYE, options are:

- a) Company makes a voluntary disclosure of historical PAYE liabilities (unlikely in most cases);
- b) TP declares income as self-employed under SA;
- c) TP reports employer to HMRC and asks them to pursue the matter.

We frequently get calls where someone has been treated as self-employed where on the face of it they are de facto employees.

What can they do/ What advice can we offer?

The relationship between employer/employee or engager/engaged is not an equal one.

Where there is apparent PAYE failure and it is a “new” employment, for example a CURRENT YEAR issue and the worker wishes to challenge/query their status the option is really limited to:

1. Discuss with employer reasons for treatment/status and agree position amicably; always a risk that worker is let go
2. Contact HMRC: Employment status team - to check whether the classification as employed or self-employed is correct
 - Telephone: 0300 123 2326
8:30am to 4.30pm, Monday to Friday
 - or
 - Write to HMRC:
HM Revenue and Customs
Employment Status Customer Service Unit
S0733
Newcastle Upon Tyne
NE98 1ZZ

There is an Employment Status indicator on HMRC website but this is purely indicative and is only as good as the answers given. It is also weighted to the substitution issue. Whilst it is of limited use it does cover the standard S/E v EE distinctions.

See: <https://www.gov.uk/guidance/employment-status-indicator>

And here is a link to the HMRC guidance on employment status:

<https://www.gov.uk/hmrc-internal-manuals/employment-status-manual>

Matters become trickier when the engagement has gone on for some time such that there is a closed tax year involved. Where the worker has not had tax deducted and is AWARE of this, the effluxion of time kicks in such that they are likely to fall foul of their notification obligations – i.e. a failure to notify HMRC of income that may be liable to Income Tax. Whilst there may be genuine

cases where the worker is not aware of a PAYE failure the onus is on the recipient of untaxed income to report it to HMRC. Where the worker has a written contract the employment status is usually stated explicitly to avoid doubt. In most of the cases seen by TaxAid, workers are probably employees but have accepted gross payments for several years and only decided to address the issue once the work has dried up/they get fired or in some cases approach retirement and their thoughts have turned to state pension or other benefit entitlements. In such situations it becomes very hard to argue for Employer PAYE failure. Usually in such cases TaxAid would recommend that a voluntary disclosure is made to the Revenue's Hidden economy Team (HET);

BUT:

That said there are, as always, exceptions and each case should be considered on its own merits
.....

Regulation 185

Under The Income Tax (Pay As You Earn) Regulations 2003, Regulation 185 permits that an amount of Tax can be "treated as deducted" and claimed in respect of the wages paid by an employer.

In essence a "notional amount of tax is claimed broadly equivalent to the tax which should have been deducted in relation to relevant payments made by an employer to the taxpayer in the relevant tax year i.e. the employer was liable to deduct from payments but failed to do so...

NB this approach would be exceptional and has only been used in a handful of cases by TaxAid.

Note also that there may be collusion between an employer and employee to avoid tax – staying off payroll for years would be evidence of this. In these cases HMRC can make a direction themselves as to whether they pursue the employee or the employer. It is more common for them to pursue the recipient of the income.

In these cases you may wish to get a second opinion from a member of TaxAid staff. Frequently the facts are at odds with what the worker says and/or with the documents and it is sensible to proceed circumspectly.

Common Helpline Issues

Determinations / Special Relief

I understand that HMRC has made determinations (estimates) of tax due, for tax years that are now "out of time" (xx/xx, xx/xx). In this situation, HMRC will not process the returns - the determination stands and will only be replaced by the actual liability if the conditions for "Special Relief" are met.

Special Relief is only given where there are very exceptional reasons for not having filed returns and you would need to show that it is "unconscionable" for HMRC to seek to recover the sums charged by determinations. HMRC's guidance on when the relief will be given is attached (Special Relief info for clients). You will see from this how restrictive the conditions are – however, it is generally worth making a claim and if the relief is denied, you can appeal that decision.

To make a claim you should use the pro-forma letter attached to this email which needs to be modified as appropriate and needs to include full details of the grounds on which you are making the claim. The claim should be sent to the address on the letter and needs to include:

1. completed tax returns for the years for which you are making a claim (even though you may already have sent these to HMRC)
2. evidence to support the grounds on which you are making a claim (e.g. medical evidence)

SACM12240 - Overpayment relief: Special relief: Condition A - Unconscionable to recover or not to repay an amount

An outline of special relief is at [SACM12220](#). This page covers the first of three further conditions for reliefs introduced at [SACM12230](#).

It is a condition of special relief (Condition A) that in the opinion of the Commissioners it would be unconscionable for HMRC to seek to recover the amount which is the subject of a special relief claim (if it is charged in a determination) or to withhold repayment of it (if it has already been paid).

Special relief is intended as a final and exceptional remedy where it would be unconscionable for HMRC to pursue tax that is legally due. HMRC has a duty to both Parliament and taxpayers generally to collect the tax due under relevant tax law and to ensure the tax system is operated fairly. This means that HMRC cannot simply disregard the time limits for making a self-assessment if it appears that a determination might be excessive. There must be further circumstances which make it unconscionable to recover the full amount due under the determination or not to repay an amount already paid.

Such circumstances might be where a person

- is suffering from a temporary or sporadic illness, including mental illness, and consequently finds it particularly difficult to engage with the tax system
- has not received our notices or other communications for reasons outside their control
- is insolvent. Where the debt is based on determined sums, and the late submitted evidence (or returns) prove that a different amount would have been due if returns had been made in time, we would consider using this relief. Relief would be considered where doing so is fair to other creditors - so the unconscionable element would be that pursuing the amount in the determination would be to the detriment of other creditors.

For a claim to special relief to be successful, it must, among other things, explain why the person considers that it would be unconscionable for HMRC to recover the full amount charged by a determination. Unconscionable means “completely unreasonable” or “unreasonably excessive”. In considering whether something is unconscionable, HMRC will look at what behaviour is expected from any reasonable person in a similar situation. So, for example, special relief will **not** normally apply where a person

- registers as self-employed and never gets any business but remains in the SA system (we would reasonably expect the person to tell us that the business has ceased and file a nil return).
- ceases self-employment, winds up their affairs (incompletely or incorrectly) but moves on without providing a forwarding address (we expect all people to act reasonably so they should be aware that HMRC has 12 months to enquire into any return; in this situation the person should ensure HMRC has an up to date address or that arrangements are put in place to forward post).
- is a subcontractor who suffers deductions under the construction industry scheme and believes that they have nothing further to pay, so does not respond to determinations and other contacts. (People must take responsibility for their own affairs, or engage an agent to do so; they must not simply ignore HMRC communications in ignorance or in anticipation of later relief; wherever a person is unsure whether or how to respond to HMRC communications they should get in contact with HMRC to find out more.)

- moves abroad and fails to respond to HMRC communications to the point of facing enforcement action for unpaid debts. (We expect people to act reasonably and take responsibility for their tax affairs; where there is a debt on our records, self-assessment statements are issued within 45 days of payment becoming due, and debtors are warned of recovery action at various stages in the debt collection process; there is no excuse for not responding to us well before recovery action is commenced.)
- is negligent and, although aware of their responsibility to pay tax and to file returns on time, fails to act appropriately in relation to their tax affairs and ignores all communications sent to them. (Again people must take responsibility for their own affairs, or engage an agent to do so; they must not simply ignore HMRC communications in ignorance or in anticipation of later relief. Wherever a person is unsure whether or how to respond to our communications they should contact HMRC to find out more.)

EIS is responsible for deciding whether a claim to special relief can be accepted and in particular whether conditions A, B and C are met.

Para 3A(4) Schedule 1AB TMA 1970

Para 51BA(4)Schedule 18 FA 1998

INSERT CLIENT'S ADDRESS

[date]

HMRC
EIS Special Relief Team,
Elgin House,
20 Haymarket Yards,
Edinburgh,
EH12 5WN

Dear Sirs

Special Relief Claim
National Insurance Number:

I wish to make a claim for Special Relief under Schedule 1AB TMA 1970 Para 3A for the tax year (s) [] and tax returns for these years are enclosed herewith.

An excessive determination of my liability has been made.

I have not previously made a claim for Special Relief or for Equitable Liability.

The grounds for the relief claim are as follows:

[insert explanation]

All my tax affairs are up to date apart from those covered by this claim.

I can confirm that the particulars given in this claim are correct and complete to the best of my information and belief.

Yours faithfully

[TAXPAYER'S NAME]

Special Relief – How to make a formal claim

A claim for Special Relief must contain the following information which should provide sufficient explanation and any relevant evidence to enable a decision to be made at the first review:

- That it is a claim for special relief under Paragraph 3A Schedule 1AB Taxes Management Act 1970.
- The year(s) covered
- The sum(s) that would have been chargeable, the amount(s) of the relevant determination(s) and the amount of special relief claimed, for each year, the reason(s) why it is unconscionable for HM Revenue & Customs to recover the amount of special relief claimed (or to withhold payment of it if already paid) and where necessary, any supporting third party evidence, and
- Evidence to support the amount of special relief claimed (this will normally be the outstanding tax returns, if any). Where a repayment is claimed, documentary proof that the tax has been paid by deduction or otherwise i.e. P45, P60 or CIS vouchers, must be supplied

Where the reason for non submission of the appropriate return(s) is due to mental health or medical issues which existed at the 'relevant time' and may or may not still be pertinent, the following information to show the position since the start of the 'relevant time' and up to the current date will be required:

- 1) What was the nature of the condition?
- 2) Did it affect his/her ability to manage his/her financial affairs – if so, how?
- 3) Did it affect his/her ability to deal or communicate with HMRC – if so, how?
- 4) Did it affect his/her ability to work – if so, how?
- 5) Did anyone help him/her manage their financial affairs, such as a family member – if so, how?

The above information should be verified by 'third party evidence' which should consist of documentary evidence showing the nature of the illness during the relevant period(s) from the claimant's

- Community psychiatric nurse
- General practitioner (Note: some GPs charge a small fee for this service)
- Psychiatrist
- Mental health social worker
- Other healthcare professional.

The 'relevant time' is the period of time allowed to dispute a determination. This is usually a period starting with the filing date for a self assessment return and ending 3 years later, or 12 months from the date of the determination, whichever gives the later date

The claim should also include a statement ***signed by the taxpayer*** to the effect that:

I confirm that

- *This is my first claim for special relief under the previous equitable liability concession, (or if a subsequent claim, say when the first claim was made, what was the outcome and why the relief is needed again)*
- *All my HMRC affairs are up to date from those to be covered by this claim*
- *I have not been subject to Court proceedings for any tax charged by the determination(s) included in this claim where I was present or legally represented at a Judgement hearing, and*
- *All the particulars given in this claim are correctly stated to the best of my information and belief.*

If any tax returns need to be submitted in support of the claim they should be filed online wherever possible. All other necessary paper returns should be attached to the claim and sent to:

HM Revenue & Customs,
EIS Special Relief Team,
Elgin House,
20 Haymarket Yards,
Edinburgh,
EH12 5WN

The claim cannot be considered until all outstanding tax returns are with HMRC.

Further information about special relief including guidance on satisfying the 'unconscionable' test is available from the HMRC Self Assessment Claims Manual 12210 to 12270 which is viewable on the HMRC website.

Common Helpline Issues

Enquiry

Appealing the enquiry demand

Following an HMRC enquiry into your Tax Return you may have extra tax to pay. You may also be charged an inaccuracy penalty on top.

You have the right to appeal the tax bill or the penalty or both.

The appeal can be made either to another HMRC department called ADR (Alternative Dispute Resolution) or to the first tier Tax Tribunal. The tribunal service is independent of HMRC.

For more general information please see HMRC Fact Sheet CC/FS1a and HMRC1.

First steps

When HMRC have finished their enquiry they issue a Closure Notice and separately a Penalty Notice. These notices show what extra tax and penalties HMRC think are owed by you. These notices are vital documents in the enquiry.

Your first step is to gather all letters relating to your enquiry and most importantly the Closure Notice and Penalty Notice. If you do not have these letters you should request copies from HMRC.

The second step is to read through the letters to get a good understanding of what HMRC's position is in respect of any extra tax to pay or the inaccuracy penalty.

Appealing the tax bill

Generally you have 30 days to appeal from the issue date of the Closure Notice. However, you can make a late appeal if you have reasons why you have gone beyond the normal 30 days. You can make an appeal on the basis of **fact** or **law** or both. Additionally you can appeal on the basis that HMRC have not followed the correct **procedures**.

If you dispute the facts with HMRC you can use your business records e.g. receipts or bank statements to back up any claims you have made on your Tax Return. If you have not kept business records you would need to see whether you can still get evidence to back up the facts e.g. request statements from your bank.

If you dispute HMRC's interpretation of tax law then you can get expert advice on this point with TaxAid. An example of a disagreement on tax law might be business travel which you thought could be claimed but in one of the letters HMRC have said it is not claimable. Before you call TaxAid you should have this letter to hand.

If you think HMRC have not followed the correct procedure in opening an enquiry for any one year, e.g. HMRC have taken too long to enquire into your Tax Return, you could appeal on this basis without necessarily considering fact or law. Generally HMRC have up to 12 months from the date they receive your Tax Return to enquire into it. Different rules apply if you submit your Tax Return

beyond the normal filing date. HMRC does have the right in some cases to go beyond these time limits. If you would like to check this point you can contact TaxAid. Before you call please find out the date HMRC received your Tax Return(s) and also the date they opened their initial enquiry as the adviser will need this information.

Appealing the inaccuracy penalty

Penalties are charged on a sliding scale depending on what HMRC believe led to the inaccuracy on the Tax Return. Penalties are low if the error resulted from a lack of care with filling in the Tax Return. Harsher penalties arise if HMRC believe there was a deliberate decision to fill in the Tax Return incorrectly.

The penalty is then reduced depending on your behaviour during the enquiry. This is on the basis of 'telling, helping and giving'.

You could appeal the penalty in terms of the sliding scale. For example, if your error was not deliberate but simply arose from carelessness. Alternatively, if you think you took care with filling in your Tax Return and took reasonable steps to get it correct – for example by appointing an accountant or following HMRC guidance - you might dispute a penalty alleging carelessness.

You can also appeal if you have not received very much by way of reduction in the penalty. For example, it might be that HMRC allege you have not been very helpful during the course of the enquiry. However, you may have had good reasons for not providing documents in a timely way e.g. if you have been dealing with a difficult life event or mental or physical health problems.

Finally, if the penalty has arisen from a lack of care you can also request suspension of the penalty. If this is granted then you will not have to pay the penalty subject to certain conditions on future submission of Tax Returns. You can only go down this route if you still need to submit Tax Returns e.g. you continue to be self-employed.

Please see Fact Sheet CC/FS7a for more information on appealing penalties.

Please see Fact Sheet CC/FS10 for more information on suspension of penalties.

How to do the appeal

If you are appealing to ADR you need to write a letter to HMRC setting out your argument and requesting that this is considered by ADR. For more information on ADR please see HMRC Fact Sheet CC/FS21.

If you are appealing to the first tier Tax Tribunal you will need to use their official form, a T240, and there will be a white space to write your argument. Please see Page 2 of HMRC Fact Sheet HMRC1.

In terms of the argument itself, if you are appealing beyond the 30 day deadline, then your first paragraph needs to explain what prevented you from appealing before the deadline. You will then need to set out your appeal in respect of the extra tax to pay and/or the inaccuracy penalty as detailed above.

Managing your debt with HMRC

If you do not go down the appeals route, or you appeal but still have tax to pay, you will need to manage this debt (see Tax Debt section).



Penalties for inaccuracies in returns and documents

This factsheet contains information about penalties we may charge if you've sent us an inaccurate return or other document.

This factsheet is one of a series. For the full list of the factsheets in our compliance checks series, go to www.gov.uk and search 'factsheets'.

When we may charge you a penalty for an inaccuracy

We may charge you a penalty if you send us a return or other document that contains an inaccuracy, and the inaccuracy:

- results in tax being unpaid, understated or over-claimed and
- was careless, deliberate or deliberate and concealed (we refer to these as 'behaviours' which are explained later in this factsheet)

If you ask someone else, such as an employee or adviser, to do something on your behalf, you must do as much as you can to make sure that an inaccuracy doesn't occur. If you don't do this, we may charge you a penalty.

When we won't charge you a penalty for an inaccuracy

We won't charge you a penalty for an inaccuracy if you took reasonable care to get things right but your return or document was still wrong. Some of the ways you can show that you took reasonable care include:

- keeping accurate records
- checking with a tax adviser or with us if you aren't sure about anything

Disclosing an inaccuracy before we find it

If you tell us about an inaccuracy before you've any reason to believe that we are about to find it, we call this an 'unprompted disclosure'. If you tell us about an inaccuracy at any other time, we call it a 'prompted disclosure'. Once we've started a check, a disclosure can only be unprompted if, exceptionally:

- it is about an unrelated inaccuracy, and
- you had no reason to believe that we could have found it during our check

The minimum penalty for an unprompted disclosure is lower than the minimum penalty for a prompted one.

If you send us a return or document that you believe is correct and you later find that it contains a careless inaccuracy, we may be able to reduce the penalty to nil if you make an unprompted disclosure.

What you can do to reduce any penalty we may charge

We can reduce the amount of any penalty we charge you depending on our view of how much assistance you gave us. We refer to this assistance as the '**quality of disclosure**' or as 'telling, helping and giving'.

Examples of telling, helping and giving include:

- telling us about, or agreeing that there is something wrong and how and why it happened
- telling us everything you can about the extent of what is wrong as soon as you know about it
- telling and helping us by answering our questions in full

▯ helping us to understand your accounts or records

CC-FS7A

1

HMRC 04/18

- helping us by replying to our letters quickly
- helping us by agreeing to attend any meetings, or visits at a mutually convenient time
- helping us by checking your own records to identify the extent of the inaccuracy
- helping us by using your private records to identify sales or income not included in your tax return
- giving us access to documents we've asked for without unnecessary delay
- giving us access to documents we may not know about, as well as those that we ask to see

We'll reduce the penalty by the maximum amount possible if you:

- tell us everything you can about any inaccuracy as soon as you know about it or you believe we're about to find it
- do everything you can to help us correct it

If you delay telling us, you may still be entitled to a reduction but it will be smaller. If we don't need any extra assistance from you we'll give you the full reduction that the law allows for telling, helping and giving.

Letting us know about any special circumstances

If there are any special circumstances that you believe the officer dealing with the check should take into consideration when calculating the penalty, you should let them know straightaway.

How we work out the amount of a penalty

There are 8 stages in working out the amount of any penalty. Each stage is explained in more detail below.

1 Working out the amount of the potential lost revenue (PLR)

The penalty is a percentage of what we call the 'potential lost revenue'. PLR is the amount that arises as a result of correcting an inaccuracy in a return or document, an incorrect repayment or an incorrect claim. The officer dealing with the check will explain how this is worked out. There are different rules about calculating the PLR where there are group relief, losses, repayments, or accounting timing issues resulting in delayed tax. If you need to know more, please ask the officer dealing with the check.

2 Determining our view of the 'behaviour'

When there is an inaccuracy, we'll work with you to find out what caused it. We refer to this as the 'behaviour'. The type of behaviour will affect whether we charge a penalty and the amount of the penalty. There are 4 different types of behaviour.

Reasonable care

Everyone has a responsibility to take reasonable care over their tax affairs. What 'reasonable care' is will depend on each customer's abilities and circumstances.

If there was anything about your health or personal circumstances that made it difficult for you to take reasonable care, please tell the officer that is carrying out the check. Telling them will mean that they can take this into account when considering whether you took reasonable care.

If you took reasonable care to get things right but your return or document still contained an inaccuracy, we won't charge you a penalty.

Some of the ways you can take reasonable care include:

- keeping enough records to make accurate tax returns
- keeping those records safe
- asking us or a tax adviser if you are not sure about anything and following any advice given

Careless

This is where you failed to take reasonable care to get things right.

Deliberate

This is where you knew that a return or document was inaccurate when you sent it to us. Examples of deliberate inaccuracies include deliberately:

- overstating your business expenses
- understating your income
- paying wages without accounting for Pay As You Earn and National Insurance contributions

Deliberate and concealed inaccuracies

This is where you knew that a return or document was inaccurate and you took active steps to hide the inaccuracy from us, either before or after you sent it to us. An example of taking active steps to conceal an inaccuracy is where you create a false invoice to cover a non-existent stock purchase.

3 Deciding whether the disclosure was unprompted or prompted

This determines the minimum penalty percentage that we can charge. This is explained in more detail in the section of this factsheet titled 'Disclosing an inaccuracy before we find it'.

4 Deciding the range that the penalty falls within

The penalty percentage falls into one of 6 ranges. The range it falls into depends on the type of behaviour and whether it was a 'prompted' or 'unprompted' disclosure. The following table shows the 6 penalty ranges.

Type of behaviour	Unprompted disclosure	Prompted disclosure
Reasonable care	No penalty	No penalty
Careless	0% to 30%	15% to 30%
Deliberate	20% to 70%	35% to 70%
Deliberate and concealed	30% to 100%	50% to 100%

5 Working out the reductions for the quality of disclosure (also referred to as 'telling, helping and giving')

When calculating penalties for inaccuracies we'll take into account how long it's taken for you to tell us about the inaccuracy. If you've taken a significant period (normally 3 years) to correct or disclose the inaccuracy we'll normally restrict the amount of reduction given for disclosure.

We'll restrict the penalty range by 10 percentage points above the minimum to reflect the time taken before working out the reductions for telling, helping and giving.

The quality of disclosure (telling, helping and giving), determines where the penalty will fall within the penalty range. The reduction we give depends on how much assistance you give us. For:

- telling we give up to 30%
- helping we give up to 40%
- giving access to records we give up to 30%

6 Working out the penalty percentage rate

The penalty percentage rate is determined by the penalty range and the reduction for the quality of disclosure.

Example

We found a careless inaccuracy that the customer hadn't told us about before we started our check. When we told them about the inaccuracy, they agreed with us. This was a prompted disclosure.

The penalty range for a careless inaccuracy with a prompted disclosure is 15% to 30% of the potential lost revenue (PLR).

The reduction for quality of disclosure (telling, helping and giving) was 70%.

Steps

Calculation example

To work out the penalty percentage rate, we first work out the difference between the minimum and maximum penalty percentages.

$$30\% \text{ minus } 15\% = 15$$

We then take off the percentage reduction from the maximum penalty percentage we can charge.

$$15 \times 70\% = 10.5\%$$

This gives us the penalty percentage rate.

$$30\% \text{ minus } 10.5\% = 19.5\%$$

7 Working out the amount of the penalty

To work out the amount of the penalty, we multiply the potential lost revenue (PLR) by the penalty percentage rate. For example, if the PLR in the example above was £3,000, and there were no other reductions, the penalty would be £585 (£3,000 x 19.5% = £585).

8 Considering other reductions

After working out the amount of the penalty, we then take into account any other reductions that are necessary. For example, where we've already charged another penalty on the same tax or duty. This then gives the amount of penalty that we'll charge.

How we can suspend a penalty

We can suspend a penalty for a careless inaccuracy if we:

- can set conditions to help you avoid penalties in the future
- believe you can meet these conditions

We can suspend a penalty for up to a maximum of 2 years. Normally the suspension period will be as short as possible to allow you to meet the conditions. If we suspend your penalty, you won't have to pay it if you meet the conditions, unless we charge you another inaccuracy penalty during the suspension period.

You can find more information about this in factsheet CC/FS10, 'Suspending penalties for careless inaccuracies in returns or documents'. Go to www.gov.uk and search 'CC/FS10'. We can't suspend penalties for any other type of behaviour.

How we tell you about a penalty

We'll write to you to tell you how much the penalty is and how we've worked it out. If there is anything about the penalty that you don't agree with, or if you think there is any information we haven't already taken into account, you should tell us straightaway.

After taking account of anything you've told us, we'll then either:

- send you a penalty assessment notice
- invite you to enter into a contract with us to pay the penalty, together with the tax and interest

In certain circumstances you may also have to pay interest on the penalty if you don't pay it on time.

When a company officer may have to pay some or all of a company's penalty for a deliberate inaccuracy

A company officer may have to pay some or all of the company's penalty if the penalty is due to their actions, and one or more of the following applies:

▫ they have gained, or attempted to gain, personally from a deliberate inaccuracy

- the company is, or we believe it is, about to become insolvent - even if the officer didn't gain personally from the deliberate inaccuracy

If the company pays the penalty, we won't ask the individual officers to pay.

A company officer is a director, shadow director, company secretary or manager of a company, or a member of a limited liability partnership.

What happens if you've deliberately done something wrong

If you:

- give us information that you know to be untrue, whether verbally or in a document, or
 - dishonestly misrepresent your liability to tax or claim payments to which you aren't entitled
- we may carry out a criminal investigation with a view to prosecution.

Managing Serious Defaulters

If you've deliberately got your tax affairs wrong, we may need to monitor your tax affairs more closely. We've an enhanced monitoring programme called Managing Serious Defaulters. You can find more information about this in factsheet CC/FS14, 'Managing Serious Defaulters'. Go to www.gov.uk and search 'CC/FS14'.

Publishing details of deliberate defaulters

In certain circumstances, we may publish your details if you've deliberately got your tax affairs wrong. We **cannot** publish your details if you qualify for the maximum penalty reduction. You can find more information in factsheet CC/FS13, 'Publishing details of deliberate defaulters'. Go to www.gov.uk and search 'CC/FS13'.

What to do if you disagree

If there is something that you don't agree with, you should tell us.

If we make a decision that you can appeal against we'll write to you to explain the decision and tell you what to do if you disagree. You'll usually have 3 options. Within 30 days you can:

- send new information to the officer you've been dealing with and ask them to take it into account
- have your case reviewed by an HMRC officer who hasn't been involved in the matter
- arrange for your appeal to be heard by an independent tribunal, who will decide the matter

Whichever you choose, you may also be able to ask for an HMRC specialist officer to act as a neutral facilitator to help resolve the dispute. This process is known as 'Alternative Dispute Resolution' (ADR).

ADR is only available for disputes relating to some of the taxes and other areas that we administer. The officer dealing with your check will tell you if ADR is available for the matter that you are disputing.

Go to www.gov.uk and search 'HMRC1' and 'CC/FS21' to find more information about:

- appeals and reviews in factsheet HMRC1, 'HM Revenue & Customs decisions – what to do if you disagree'.
- ADR in factsheet CC/FS21, 'Alternative Dispute Resolution'

Your rights when we're considering penalties

The European Convention on Human Rights gives you certain important rights. If we're considering penalties, we'll tell you. We'll also tell you that these rights apply and ask you to confirm that you understand them. These rights are that:

- if we ask you any questions to help us decide whether to charge you a penalty, you've the right not to answer them. The amount of help that you give us when we are considering penalties is entirely a matter for you to decide
- when deciding whether to answer our questions, you may want to get advice from a professional adviser – particularly if you don't already have one
- if you disagree with us about the tax or any penalties we believe are due, you can appeal. If you appeal about both tax and penalties, you've the right to ask for both appeals to be considered together

□ you've the right to apply for funded legal assistance for dealing with any appeal against certain penalties

□ you're entitled to have the matter of penalties dealt with without unreasonable delay

You can find full details about these rights in factsheet CC/FS9 'The Human Rights Act and penalties'. Go to www.gov.uk and search 'CC/FS9'.

Which taxes and tax periods these penalty rules apply to:

These penalty rules apply to the following taxes for returns or documents that were due to be sent to us on or after 1 April 2009, and relate to a tax period beginning on or after 1 April 2008.

Capital Gains Tax	Income Tax (including Self Assessment)
Construction Industry Schemes	National Insurance Classes 1 and 4
Corporation Tax	Pay As You Earn (PAYE)
	VAT

These penalty rules apply to the following taxes for returns or documents that were due to be sent to us on or after 1 April 2010, and relate to a tax period beginning on or after 1 April 2009.

Aggregates Levy	Inheritance Tax
Air Passenger Duty	Insurance Premium Tax
Alcohol Duty	Landfill Tax
Amusement Machine Licence Duty (up to 31 January 2013)	Lottery Duty
Bank Payroll Tax	Machine Games Duty (from 1 February 2013)
Bingo Duty	Petroleum Revenue Tax
Climate Change Levy	Pool Betting Duty
Excise duties (Holding and Movements)	Remote Gaming Duty
Gaming Duty	Stamp Duty Land Tax
Hydrocarbon Oils Duty	Stamp Duty Reserve Tax
	Tobacco Duty

These penalty rules apply to the following taxes for returns or documents that relate to the following periods.

National Insurance Class 1A for P11D(b) (returns for the tax year ended 5 April 2011 and later years)
Machine Games Duty (for tax periods beginning on or after 1 February 2013)
Annual Tax on Enveloped Dwellings (for tax periods beginning on or after 1 April 2013)
Apprenticeship Levy (for tax years starting on or after 6 April 2017)



General information about compliance checks

We've given you this factsheet because we've started a compliance check. This factsheet contains important information. Please take the time to read it and keep it safe – you may need to refer to it during our check.

This factsheet is one of a series. For the full list of factsheets in the series, go to www.gov.uk and search for 'Compliance checks factsheets'.

What is a compliance check

We carry out checks into returns or other documents to make sure that our customers pay the right amount of tax at the right time and receive the right allowances and tax reliefs. We call these checks 'compliance checks'.

We carry out some checks over the phone. If we phone you, you can ask us to write to you instead. Some types of check can only be done within a certain time limit. The officer dealing with the check can explain these time limits to you. If we find something wrong we may extend our check, for example, we may check earlier periods.

What happens during a compliance check

We'll always tell you what we're checking. If we find that we need to extend the scope of our check, we'll tell you.

If you've appointed a representative, you can ask us to deal directly with them during our check. We may also tell them that we've started a check. We'll only give your representative details of the check if it relates to taxes that you've authorised us to contact them about. Information about how you can authorise a representative is on page 4 of this factsheet.

We'll ask you to give us any information or documents that we may need during the check. In some cases, we'll ask to visit your business premises, if you have any. We normally only ask to visit you at home if you run your business from there.

If you aren't sure why we're asking for something, please speak to the officer dealing with the check and they will explain why we need it. If you can't do what we ask, or if you think that something we have asked for is unreasonable or not relevant to the check, please tell the officer dealing with the check. They will consider your reasons carefully and if they still think they need it, they will tell you why.

If you have any questions at any stage of our check, please contact the officer dealing with the check.

What if you need more time to do something we've asked you to do

If you need more time to do something we've asked you to do, please tell us. If we think it's reasonable to do so, we'll allow you more time. You can also ask us to postpone the check if you have a good reason, for example, if you're seriously ill or someone close to you has died.

The benefits of helping us with a check

Helping us with our check can have benefits for you. It will allow us to complete the check as quickly as possible and reduce any inconvenience that it may cause you.

We may not find anything wrong. But if there's something wrong, helping us with our check will also reduce the amount of any penalty we may charge.

If we do find something wrong, we'll work with you to put it right. We'll also tell you about any additional tax and late payment interest that is due, and about any penalty that we may charge.

You can reduce the amount of any penalty by giving us assistance throughout our check. We call this assistance the 'quality of disclosure' or 'telling, helping and giving'.

We measure the quality of disclosure by considering how much:

- ▢ you tell us about what is wrong
- ▢ help you give us to work out what is wrong
- ▢ access you give us to your records

If we ask you for either of the following:

- ▢ information or documents and you don't provide these when we ask for them
- ▢ to visit your business premises to inspect your business records, assets or premises or to visit your premises to carry out a valuation and you refuse

this may affect our view on the quality of disclosure, and the amount by which we reduce any penalty.

How to qualify for the maximum penalty reduction if something is wrong

If you know or suspect that there's something wrong, you must:

- ▢ tell us everything you know about what's wrong as soon as we tell you that we've started a check
- ▢ work with us to calculate the right amount of tax

If we've found something wrong that you didn't know about, you must:

- ▢ have given us as much assistance as we needed up to that point
- ▢ as soon as we tell you that there is something wrong, tell the officer dealing with the check everything about it, let them see any additional records they need and help them to work out the right amount of tax

We'll reduce the penalty by the maximum amount possible if we agree that you've done everything you could to assist us.

When we work out the quality of disclosure, we'll take into account how long it has taken for you to tell us about the inaccuracy. If you've taken a significant period (normally 3 years) to correct or disclose the inaccuracy, we'll normally restrict the amount of reduction given for disclosure.

We'll restrict the penalty range by 10 percentage points above the minimum to reflect the time taken, before working out the reductions for telling, helping and giving.

You can find more information about penalties and penalty reductions in our penalty factsheets.

Go to www.gov.uk and search for 'Compliance checks factsheets'. In some circumstances we can publish the details of people who have deliberately got their tax affairs wrong, as well as charging them a penalty. We can't publish their details if they qualify for the maximum penalty reduction. You can find more information about this below.

What if you think we should stop the check

If you think we should stop the check, please tell us why. If we don't agree, you may in some cases be able to ask the independent tribunal that deals with tax matters to decide whether we should stop the check.

What happens if something is wrong

If something is wrong, we'll explain why and work with you to put it right. Where relevant, we'll also tell you how to prevent it happening again. We may also ask you to sign a certificate confirming that you've told us about all relevant facts relating to our check.

If you're due to pay us some money, we'll tell you how to pay. You may also have to pay interest and any penalty that we charge. If we owe you some money, we'll normally repay you or credit your account. In some cases, we'll also pay you interest.

What happens if you've deliberately done something wrong

We may carry out a criminal investigation with a view to prosecution if you:

- give us information that you know to be untrue, whether verbally or in a document
- dishonestly misrepresent your liability to tax or claim payments to which you aren't entitled

Managing Serious Defaulters

If you've deliberately got your tax affairs wrong, we may need to monitor your tax affairs more closely. We've an enhanced monitoring programme called Managing Serious Defaulters. You can find more information about this in factsheet CC/FS14, 'Managing Serious Defaulters'. Go to www.gov.uk and search for 'CC/FS14'.

Publishing details of deliberate defaulters

In certain circumstances we may publish your details if you've deliberately got your tax affairs wrong. We can't publish your details if you qualify for the maximum penalty reduction. You can find more information in factsheet CC/FS13, 'Publishing details of deliberate defaulters'. Go to www.gov.uk and search for 'CC/FS13'.

What happens at the end of a check

We'll finish our check by either sending you one or more 'decision notices' or by agreeing a contract settlement with you.

A decision notice can be:

- an assessment or amendment to an assessment
- a penalty notice if a penalty is due
- a letter setting out what the final position is

A contract settlement is a legally binding agreement, where you offer to pay everything that is due as a result of our check, and we agree not to use our formal powers to recover that amount. You can only pay through a contract settlement if both you and we agree to this and to the terms of the contract. We can't enter into a contract settlement for any VAT or VAT penalties that are due.

What if you can't pay what you owe

If you think you may have problems paying, please tell the officer dealing with the check.

What to do if you disagree

If there's something that you don't agree with, you should tell us.

If we make a decision that you can appeal against we'll write to you to explain the decision and tell you what to do if you disagree. You'll usually have 3 options. Within 30 days you can:

- send new information to the officer you've been dealing with and ask them to take it into account
- have your case reviewed by an HMRC officer who hasn't been involved in the matter
- arrange for your appeal to be heard by an independent tribunal, who'll decide the matter

Whichever you choose, you may also be able to ask for an HMRC specialist officer to act as a neutral facilitator to help resolve the dispute. This process is known as Alternative Dispute Resolution (ADR).

ADR is only available for disputes relating to some of the taxes and other areas that we administer. The officer dealing with your check will tell you if ADR is available for the matter that you're disputing.

You can find more information in:

- HMRC1, 'HM Revenue & Customs decisions – what to do if you disagree', for appeals and reviews
- CC/FS21, 'Alternative Dispute Resolution', for ADR
- Go to www.gov.uk and search for 'HMRC1' and 'CC/FS21'.

Your principal rights and obligations

You have:

- the right to be represented – you can appoint anyone to act on your behalf, including professional advisers, friends or relatives
- the right to consult your adviser – we'll allow a reasonable amount of time for you to do so
- an obligation to take care to get things right – if you have an adviser, you must still take reasonable care to make sure that any returns, documents or details they send us on your behalf are correct

'Your Charter' explains what you can expect from us and what we expect from you. For more information, go to www.gov.uk/hmrc/your-charter

Your rights when we're considering penalties

If there's something wrong and we're considering penalties, we'll tell you. The European Convention on Human Rights gives you certain rights when we're considering penalties. You can find full details about these rights in factsheet CC/FS9, 'The Human Rights Act and penalties'. Go to www.gov.uk and search for 'CC/FS9'.

Authorising a representative

You can authorise someone to deal with us on your behalf. This includes professional tax advisers, friends or relatives. They can deal with us just for a compliance check, or more permanently for your day-to-day tax affairs. If you want to authorise a professional tax adviser, they will give you a form to complete and send to us. If you want to authorise someone other than a professional tax adviser, you'll need to write to tell us who you want to authorise and what you want them to deal with for you.

This factsheet relates to compliance checks into any of the following:

Aggregates Levy	Insurance Premium Tax
Annual Tax on Enveloped Dwellings	Landfill Tax
Apprenticeship Levy**	Machine Games Duty
Bank Payroll Tax	National Insurance Classes 1, 1A* and 4
Capital Gains Tax	Pay As You Earn (PAYE)
Climate Change Levy	Petroleum Revenue Tax
Construction Industry Scheme	Stamp Duty Tax
Corporation Tax	Stamp Duty Reserve Tax
Income Tax	VAT
Inheritance Tax	

*For Class 1A National Insurance, this factsheet only relates to P11D(b) returns for tax years starting on or after 6 April 2010.

**For Apprenticeship Levy, this factsheet relates to returns for tax years starting on or after 6 April 2017.

More information

HMRC may observe, monitor, record and retain internet data which is available to anyone. This is known as 'open source' material and includes news reports, internet sites, Companies House and Land registry records, blogs and social networking sites where no privacy settings have been applied.

Our personal information charter sets out the standards you can expect from us when we request or hold information about you, go to www.gov.uk/government/organisations/hm-revenue-customs/about/personal-information-charter

Customers with particular needs

If there's anything about your health or personal circumstances that may make it difficult for you to deal with this check, please tell the officer that is carrying out the check. Telling them will mean that they can

help you in the most appropriate way. For more details go to www.gov.uk/dealing-hmrc-additional-needs

Don't stop sending returns or making payments. During the compliance check, please carry on sending returns and making payments when they are due.

Benefits, fees, grants and tax credits

If you're receiving any benefits, fees or grants that are based on your income, and your income changes as a result of this check, you'll need to tell the organisation that is paying you. If you're receiving tax credits and your income changes as a result of this check, you must tell the Tax Credit Office. You can phone 0345 300 3900 or write to us, marking your envelope 'Change of circumstances', to:

Tax Credit Office
PRESTON PR1 4AT

What if you're unhappy with our service

If you're unhappy with our service, please tell the person or office you've been dealing with. They will try to put things right. If you're still unhappy, they will tell you how to complain.

1. Home (<https://www.gov.uk/>)
2. Compliance checks: suspending penalties for careless inaccuracies in returns or documents - CC/FS10 (<https://www.gov.uk/government/publications/compliance-checks-suspending-penalties-for-careless-inaccuracies-in-returns-or-documents-ccfs10>)

1. HM Revenue
& Customs (<https://www.gov.uk/government/organisations/hm-revenue-customs>)

Guidance

Compliance checks: suspending penalties for careless inaccuracies in returns or documents – CC/FS10

Updated 21 December 2016

Contents

When we can suspend a penalty

When we can't or won't suspend a penalty

What you need to do before we suspend a penalty

How we determine the length of the suspension period
What you need to do during the suspension period
What happens at the end of the suspension period
What to do if you disagree



© Crown copyright 2016

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit [nationalarchives.gov.uk/doc/open-government-licence/version/3](https://www.nationalarchives.gov.uk/doc/open-government-licence/version/3) (<https://www.nationalarchives.gov.uk/doc/open-government-licence/version/3>) or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at <https://www.gov.uk/government/publications/compliance-checks-suspending-penalties-for-careless-inaccuracies-in-returns-or-documents-ccfs10/compliance-checks-suspending-penalties-for-careless-inaccuracies-in-returns-or-documents-ccfs10--2>

This factsheet tells you what happens when we consider whether or not to suspend a penalty for careless inaccuracies in returns or documents.

This factsheet is one of a series of compliance checks factsheets (<https://www.gov.uk/government/collections/hm-revenue-and-customs-leaflets-factsheets%20-and-booklets>).

When we can suspend a penalty

This factsheet tells you what happens when we consider whether or not to suspend a penalty for careless inaccuracies in returns or documents.

This factsheet is one of a series of compliance checks factsheets (<https://www.gov.uk/government/collections/hm-revenue-and-customs-leaflets-factsheets%20-and-booklets>).

We can only suspend penalties for careless inaccuracies in returns or documents if we're able to set at least one suspension condition that'll help you avoid penalties for similar inaccuracies in the future. Each condition must be 'SMART'. SMART means:

- specific - it must be directly related to the cause of the inaccuracy
- measurable – you'll need to be able to show us whether you have met the condition
- achievable – you'll need to show us that you are able to meet the condition
- realistic - we can realistically expect that you'll meet the condition
- time bound - you must meet the condition by the end of the suspension period

These SMART conditions are in addition to the condition that you must file all your returns on time during the suspension period.

If we suspend a penalty, you won't have to pay it if we're satisfied that you've met all the conditions at the end of the suspension period, and not incurred another penalty within the suspension period.

When we can't or won't suspend a penalty

We can't suspend penalties for deliberate or deliberate and concealed inaccuracies.

We won't suspend penalties for careless inaccuracies if we aren't able to set any SMART conditions, or if we believe that it's unlikely you'll comply with any of the suspension conditions.

If you are liable to a penalty for a careless inaccuracy that arose because you attempted to use a tax avoidance scheme, it is unlikely that we'll be able to suspend the penalty.

If we decide not to suspend a penalty, you can appeal against our decision. For more information about this, please read the section What to do if you disagree.

What you need to do before we suspend a penalty

Before we suspend a penalty, you'll need to agree conditions with us. It is important that:

- you
- understand
- the
- conditions
- you can
- meet the
- conditions
- the conditions are proportionate to the
- size of the inaccuracy the conditions take
- your circumstances into account
- it will be clear to both you and us when you've met the conditions

As well as agreeing specific SMART conditions to help you avoid similar inaccuracies in the future, you'll also have to agree to file all your returns on time during the suspension period.

Please think carefully about whether you can meet the conditions before you agree to them. If you aren't sure about anything, please tell us. If you have an adviser, you can also ask them for help. After you've agreed conditions with us, we'll send you a notice of suspension. This will show the conditions and the suspension period.

How we determine the length of the suspension period

The length of the suspension period will depend on how long it'll take you to meet the specific suspension conditions. The maximum suspension period allowed by law is 2 years but normally it would be less than this.

What you need to do during the suspension period

During the suspension period, you must meet the conditions that you've agreed to. You must also make sure that you don't send any other inaccurate returns during the period, as this may make you liable to another inaccuracy penalty. If you incur another inaccuracy penalty during the suspension period, you'll have to pay the previously suspended penalty.

What happens at the end of the suspension period

At the end of the suspension period, we'll ask you if you've met the conditions. We may need to check your records and ask for other evidence, to make sure that you've met them. If we agree that you've met the conditions, we'll cancel the penalty. If we decide that you've not met the conditions, you'll have to pay the penalty. You can't appeal against this decision. However, you can apply for judicial review of our decision. But this can be expensive, so you should seek legal advice first.

What to do if you disagree

If there's something that you don't agree with, you should tell us.

If we make a decision that you can appeal against, we'll write to you to explain the decision and tell you what to do if you disagree. You will usually have 3 options. Within 30 days you can:

- send new information to the officer you have been dealing with and ask them to take it into account
- have your case reviewed by an HM Revenue and Customs (HMRC) officer who hasn't been involved in the matter

- arrange for your appeal to be heard by an independent tribunal, who'll decide the matter

Whichever option you choose, you may also be able to ask for an HMRC specialist officer to act as a neutral facilitator to help resolve the dispute. This process is known as 'Alternative Dispute Resolution' (ADR). ADR is only available for disputes relating to some of the taxes and other areas that we administer.

The officer dealing with your check will tell you if ADR is available for the matter that you are disputing.

You can find more information about appeals and reviews and ADR in:

HMRC1, HM Revenue & Customs decisions – what to do if you disagree
(<https://www.gov.uk/government/publications/hm-revenue-and-customs-decisions-what-to-do-if-you-disagree>) CC/FS21, Alternative Dispute Resolution
(<https://www.gov.uk/government/publications/compliance-checks-alternative-dispute-resolution-ccfs21>)



Alternative Dispute Resolution

This factsheet tells you about Alternative Dispute Resolution (ADR). It explains what ADR is, how it works and how to apply.

This factsheet is one of a series. For the full list of the factsheets of this series, go to www.gov.uk and search for 'Compliance checks factsheets'.

What we mean by 'dispute'

If you disagree with the officer dealing with the compliance check about either of:

- ▢ the reason why they've asked you to do something
- ▢ their point of view

or if you're not sure about either of these, please tell the officer straightaway.

In most cases you and the officer will be able to quickly resolve the matter, but if you can't, we call this a dispute.

There are several ways that a dispute can be resolved and the most appropriate method will often depend on what is being disputed.

Ways to resolve disputes can include:

- ▢ clearly identifying the matters that you agree and disagree with - this will help identify and eliminate any misunderstandings and allow you to focus on what is being disputed
- ▢ asking the officer to discuss your point of view with their manager
- ▢ asking for a review by an HMRC officer not previously involved in the matter, or appealing to an independent tribunal

Alternative Dispute Resolution (ADR) is another way of dealing with compliance disputes which ultimately result in a decision that could be appealed.

As soon as you know that there's a dispute, you should consider whether to apply for ADR.

About Alternative Dispute Resolution (ADR)

ADR involves an HMRC officer trained in mediation skills and techniques who acts as neutral third party without forming a view on who is right or wrong. As the mediator they'll help you and the HMRC officer resolve a dispute together.

ADR can be used to resolve disputes that arise:

- ▢ during a compliance check, when we can't reach an agreement with you
- ▢ at the conclusion of a compliance check, when an appealable decision has been issued:
 - before a Statutory Review is requested
 - after a Statutory Review is concluded
 - when an appeal has been placed direct with Tribunal Services
- ▢ on Notices issued by HMRC, where there is a right of appeal or right to a review by another HMRC officer

If a decision has been issued, you must have an accepted appeal in place before you make your application for ADR.

If ADR is used this doesn't affect your right to appeal or to ask for a review.

There's more information about appeals and reviews in factsheet HMRC1, 'HM Revenue and Customs decisions – what to do if you disagree'. Details of how you can get a copy of this are shown above.

What types of disputes are suitable for ADR

ADR is suitable in the majority of compliance disputes, examples include:

Where communications have broken down

This could include situations where we need information from you but you:

- don't agree that you can get the information
- don't agree that the information is needed to resolve the matter

In this type of situation a mediator may be able to help restore communications to allow the dispute to be resolved. For example, by making sure that the importance of the information has been clearly explained to you and that you understand:

- why it's needed
- how it will help resolve the dispute

If you can't get the information, the mediator will help you to explore alternative ways of resolving the matter, which will allow the compliance check to continue.

Where there are disputes about the facts

The mediator will make sure that you have the opportunity to ask for clarification of any matters that aren't clear and reach agreement about what the relevant facts are and how they will be used. They will also check with you that you understand the answers that you're given. If any facts are in dispute, the mediator will make sure that both you and the officer dealing with the check fully consider all points of view and that agreement is reached where possible.

Where a dispute is a result of a misunderstanding

This could include situations where a compliance check has been continuing for some time and you can't understand why the officer keeps asking you for different information. A mediator will take into account your point of view and establish whether the officer dealing with the compliance check needs the information that they're asking for.

Where the dispute concerns a Technical Point or a Point of Law

Mediation can be considered in these cases. A mediator could help:

- you gain clarity and understanding of the officer's view
- give you an opportunity to have your view heard
- you be reassured that you have been listened to

It may be that a resolution can't be found in these circumstances but the mediation process will have helped everyone prepare for Tribunal.

In all cases we'll consider your application and if we decide it isn't suitable we'll tell you.

What types of disputes are not suitable for ADR

ADR is not available to customers who have a disagreement with HMRC in the following circumstances:

- Debt Management – payment issues
- Tax Credits – any dispute relating to Tax Credits issues
- Default Surcharge Disputes
- Failure Penalties – automatic late payment or late filing penalties
- PAYE Coding Notices
- Extra Statutory Concessions

The benefits of ADR

ADR is a way of working together to resolve disputes. Where there's a dispute, ADR aims to:

- reduce the time it takes to complete the compliance check
- reduce the costs for you and HMRC
- improve your experience when dealing with us

□ reduce the need for Independent Tribunal Hearings

Using ADR in more complex cases may avoid the need for you to make a long formal written submission to the tribunal to support your side of the dispute.

What happens if you apply for ADR

If you want to consider using ADR to resolve a dispute, you'll need to apply. Details of how to apply are shown below.

Once we receive your application, we'll contact you and the HMRC officer to discuss your application in more detail. We'll carefully consider the case and then decide whether ADR is an effective way of resolving the dispute.

We'll normally tell you whether the case has been accepted or not within 30 days of receiving your application.

If your case is accepted

Both you and the officer dealing with your check must participate in ADR. This is not optional. You should only apply for ADR if you're prepared to fully commit to it.

You'll be asked to sign an agreement committing you to full participation in the ADR process. During the process you may be asked to give us more information. We'd expect your response within 15 working days of the request, unless otherwise stated. You may also be required to attend a meeting or teleconference. We'd expect you to be available for either option within a 90 day period following acceptance of your application.

If you don't sign the agreement, or at any time during the process you don't participate fully, we'll withdraw the offer of ADR.

The ADR mediator will contact you to let you know what will happen next. They may invite you to a mediation meeting. Alternatively the mediator may phone you to explore other ways of resolving the dispute.

If your application is rejected

We'll explain why we can't accept your application.

Preparing for any mediation meeting

In preparation for a mediated meeting or teleconference, the mediator will ask you to write a statement of the matters in dispute, including your view of each matter. Your statement should:

- be brief - no more than 2 sides of A4 paper
- set out the main facts and, where relevant, how you believe the law applies to these facts

Your statement should not be a history of the compliance check.

The officer dealing with your compliance check will be required to do the same.

These statements form the basis of discussion on the mediation day. They can be exchanged between you and the officer prior to the mediation meeting, if you agree to do so. Or they can be presented by you and the officer to open the meeting and exchanged thereafter.

About the mediation meeting

At the start of the meeting you'll meet your mediator who'll take time to talk you through the day. They will do the same for the officer and will make the introductions for all attending.

The mediator opens the meeting and invites discussion on the statements if already exchanged. If not, they'll ask you and HMRC to present your statements. There'll be opportunities throughout the meeting for questions and any counter arguments through joint discussion or private discussion with the mediator.

Discussions in mediation are confidential whether in joint or private session. But any new information or evidence disclosed by you that has an effect on the tax position will be on record.

The role of the mediator is to help you and the officer dealing with your check to consider all options and assist you in reaching agreement in order to resolve the dispute. The mediator won't take any part in the decisions taken. That responsibility rests with you and the officer.

If you like, you can ask someone to go to the meeting with you, for example, your tax adviser, a friend, or a family member. You'll be asked to confirm that you're happy for your tax affairs to be discussed in detail in front of them.

What happens after ADR

At the conclusion of the ADR process, the mediator will require you and the officer to prepare and sign a document detailing the agreement reached. The officer will take the necessary steps to conclude their checks.

If you can't reach agreement, this will be documented in the same way. Your next steps will be made clear dependent on whether your dispute was pre or post appealable decision when ADR commenced.

How to apply for ADR

To apply for ADR, you need to complete the application form. Go to www.gov.uk/guidance/tax-disputes-alternative-dispute-resolution-adr

More help

For more information about Statutory Reviews and your appeal rights go to www.gov.uk/tax-appeals

Factsheet HMRC1 – HM Revenue and Customs (HMRC) decisions – what you can do if you disagree. Go to www.gov.uk and search for HMRC1.



HM Revenue and Customs (HMRC) decisions – what you can do if you disagree

Disagreeing with an HMRC decision

This factsheet tells you what you can do if you don't agree with one of our tax decisions and about appealing to the independent tax tribunal. It applies to tax decisions made on or after 1 April 2009.

This factsheet only relates to tax decisions. If your decision relates to:

- ▢ tax credits, you should go to www.gov.uk/tax-credits-appeals-complaints
- ▢ Child Benefit, you should go to www.gov.uk/social-security-child-support-tribunal
- ▢ Child Trust Fund, you should go to www.gov.uk/child-trust-funds/overview
- ▢ restoration of seized goods, you should go to www.gov.uk/customs-seizures

Tell us now if you disagree

When we make a decision which you can appeal against, we'll write and tell you. We'll also explain how we arrived at the decision and tell you about your rights of appeal. If you don't agree with the decision, write and tell us straightaway, but in any event, within 30 days of the decision. For direct tax matters, this is known as an 'appeal to HMRC'. You don't have to do this yourself. An accountant or other adviser can do this for you.

If you have more information or you think we've missed something, please tell us. If you do, we'll tell you if this information changes our decision or if it doesn't change our decision, we'll explain why. We find that most disagreements are resolved by discussing them with us. In some circumstances, you may be able to resolve your disagreement with us using Alternative Dispute Resolution (ADR). You can find more details about ADR in factsheet CC/FS21, 'Compliance Checks – Alternative Dispute Resolution'. Go to www.gov.uk and search for 'CC/FS21'.

What you can do if we can't reach agreement

If you are not satisfied with the outcome of our discussions, you can:

- ▢ have your case reviewed by a different officer from the one who made the decision
- ▢ have your case heard by an independent tax tribunal

If you opt to have your case reviewed you'll still be able to appeal to the tribunal if you disagree with the outcome of that review.

How a review works

You can choose whether or not to have a review. Either:

- ▢ we'll offer you a review (in which case you'll have 30 days to tell us if you want one)
- ▢ if we haven't offered you a review, you can ask us to carry one out at any stage during our discussion about the dispute

If you tell us that you want a review for indirect tax matters, we'll complete it within 45 days unless we agree another time with you. For direct tax matters, we'll complete it within 45 days from the date we confirm our view of the matter that you are appealing unless we agree another time with you.

Reviews are carried out by our staff not previously involved in the matter that you are disputing. You'll have a chance to provide further information about your case. You can't ask the tribunal to hear your case until the time limit has expired or we've told you the outcome of the review.

Once the review is complete, we'll write and tell you the outcome, and explain our reasons. (If we can't complete our review within 45 days, or any time we agreed with you, we'll write and tell you.) You then have 30 days to ask the tribunal to hear your case.

Appealing to the tribunal

If you don't want a review, or you don't agree with the review conclusion, you can appeal to a tribunal. The tribunal is independent and independently appointed expert tax judges and/or panel members will hear your case. The tribunal is administered by the HM Courts and Tribunals Service (the Tribunal Service), which is part of the Ministry of Justice.

To appeal to the tribunal you must normally write to the Tribunals Service within 30 days of our decision letter. Or, if you've asked for a review, within 30 days of our letter telling you of the outcome of our review. To do this, you can:

- complete a Tribunals Service appeal form available from the Tribunals Service website
- phone the Tribunals Service for a copy
- write to the Tribunals Service

The Tribunals Service will either arrange a hearing to decide your appeal in more straightforward cases, or decide the appeal on the basis of information sent by you and us without the need for a hearing. If you want to appeal to the tribunal, please make sure you attach to your notice of the appeal a copy of the assessment letter, or other notice that you want to appeal against. If you don't then the tribunal may not accept it.

More information about tribunals and tribunal hearings is available from the Tribunals Service website. See 'More help' below.

If you want the tribunal to hear your case and it is a direct tax case, you must have appealed to us first.

Payment of tax during reviews and appeals

If the decision is about a direct tax matter, you can usually ask us to postpone part or all of the tax in dispute until the appeal is settled. An appeal may be resolved by being settled by agreement between you and us or decided by the tribunal. You must then pay the tax due in line with the tribunal's decision or the agreed settlement. Interest will continue to accrue on any postponed amount and unpaid tax that is found to be due when the appeal is settled or the tribunal has made its decision.

If the decision relates to an indirect tax matter (except for Customs matters), we will not collect the disputed tax while we carry out a review of our decision.

But normally you must pay the disputed tax before the tribunal can hear any appeal. If paying the tax would cause you hardship, you may ask us not to collect it until the tribunal has decided the matter. If you think this applies to you, please tell us. Interest will continue to accrue on any disputed tax and any unpaid tax that is found to be due when the tribunal has made its decision. Once the tribunal has made its decision, you'll have to pay any tax due in line with the decision, even if there is an appeal against it. We'll pay you any amounts due in line with the tribunal decision and where appropriate, with interest.

If you appeal against the tribunal's decision in an indirect tax matter, you may ask us not to collect the tax due if paying it would put you in a position of financial extremity. For example, by resulting in your bankruptcy or liquidation. If there is an appeal against the tribunal's decision and we think that there is a risk to the revenue, we can ask the Upper Tribunal or court for permission not to pay or repay any amount due to you or to require security before we do so.

More help

For more information about reviews and your appeal rights, go to www.gov.uk/tax-appeals

For more information about the HM Courts and Tribunals Service see:

- First-tier Tribunal, go to www.gov.uk/courts-tribunals/first-tier-tribunal-tax or phone them on 0300 123 1024
- Upper Tribunal, go to www.gov.uk/courts-tribunals/upper-tribunal-tax-and-chancery-chamber or phone them on 020 7612 9730

If you prefer to speak to us, or you want a printed copy of any of our guidance, please phone the helpline phone number on your tax return or letter we have sent you.

Dealing with HMRC if you have additional needs

Go to www.gov.uk/dealing-hmrc-additional-needs or contact our helplines for a range of services such as:

- wheelchair access to nearly all appointment venues
- help with filling in forms
- Text Relay and induction loops which are available for people with hearing difficulties

We can arrange additional support, such as:

- services of an interpreter
- sign language interpretation
- leaflets in Braille, audio and large print

For guidance and forms in Welsh please phone:

- 0300 200 1900 for 'direct tax'
- 0300 200 3705 for 'indirect tax'

Putting things right

If you are unhappy with the way we've handled your tax affairs, for example, because of delays or mistakes, please tell the person or office you have been dealing with. If they are unable to sort things out to your satisfaction, ask for your case to be referred to the Complaints Manager. For more information, you should go to www.gov.uk and search for 'Complain to HMRC' or contact us. You'll find us in The Phone Book under 'HM Revenue & Customs'.

In this factsheet 'direct tax' includes

- Annual Tax on Enveloped Dwellings (ATED)
- Capital Gains Tax
- Corporation Tax
- Employee related Share Schemes
- Income Tax
- Inheritance Tax
- National Insurance contributions
- Petroleum Revenue Tax
- Stamp Duty Land Tax
- Stamp Duty Reserve Tax
- Statutory payments
- Student Loan repayments
- Tax avoidance schemes (penalty decisions relating to follower notices and accelerated payments)

"Direct tax" in this factsheet also includes tax collected under Pay As You Earn (PAYE) and the Construction Industry Scheme.

In this factsheet 'indirect tax' includes

- Aggregates Levy
- Air Passenger Duty
- Alcoholic Liquor duties
- Alcohol Wholesaler Registration Scheme (from October 2015)
- Amusement Machine Licence Duty
- Bingo Duty
- Climate Change Levy
- Counter-Terrorism decisions
- Customs Duty
- Gaming Duty
- General Betting Duty

- Hydrocarbon Oils Duties
- Insurance Premium Tax
- Landfill Tax
- Lottery Duty
- Machine Games Duty
- Money laundering decisions
- Pool Betting Duty
- Remote Gaming Duty
- Tobacco Products Duty
- Value Added Tax (VAT)

Appeals against certain information notices and against penalties for not complying with them follow the direct tax process.

This factsheet doesn't include decisions about the refusal to restore seized goods or agreement to restore goods, whether subject to a condition or not.

Common Helpline Issues

Tax Debt

If you have a tax demand from HMRC the first step should be to make sure you agree the amount being charged by HMRC. It may be that it is not correct (which is likely if it has been some time since you have sent tax returns to HMRC) or that it includes penalties which you may be able to appeal. Therefore please check the statement sent by HMRC and if you do not understand the entries on the statement (or have not received one), please call HMRC on 0300 200 3300 or speak to your accountant. For more information please see [Checking your tax debt](#). If paperwork needs to be completed in order to bring your tax affairs up to date, you can ask for your debt to be put on hold while you prepare the paperwork.

Once you agree that the amount that is being demanded by HMRC is correct (but you are not able to pay it), the options available are listed below. Firstly, though it is worth noting the following points which we are often asked about:

- 1) HMRC's Debt Management and Banking (DMB) only deals with collection of tax due, not with the amount of tax that is due. The contact telephone number for DMB is 0300 200 3822.
- 2) Unfortunately, unlike some creditors, HM Revenue and Customs has no discretion over the amount of interest charged. It is obliged by law to charge interest and cannot "freeze" the interest to help you to clear the debt.
- 3) Very occasionally HMRC decides not to pursue payment of a tax bill. This is sometimes known as remission. The tax is not permanently written off, but you will not receive further demands unless your circumstances improve unexpectedly. Remission is most common in the case of a person who is elderly, sick or long-term unemployed, and has no assets and lives in rented accommodation. If you think you might be eligible for remission, TaxAid can help you put your case to DMB.
- 4) DMB is very unlikely to accept a lump sum of less than the tax due in full settlement. But an offer of a lump sum may help to persuade DMB to accept the rest of the tax over a longer period of time. If the debt is over £5,000 and bankruptcy is a possibility, lump sum payments are only recommended where DMB is willing to agree time to pay for the remaining debt. If you owe £10,000 and make a lump sum payment of £3,000, HMRC may still make you bankrupt for £7,000 if you haven't agreed time to pay for this amount.

The options for tax debt you are unable to pay are:

- ***Time to Pay***

- If you owe tax which you cannot pay immediately, then in the first instance, you should try and seek agreement with DMB to pay your tax by instalments. You will need to complete all outstanding tax returns before DMB will consider giving you time to pay. The maximum time to pay you will normally be allowed is 12 months (typically less for VAT and employer's PAYE debts).

There is more detail on making a time to pay arrangement with HMRC at [Seeking Time to Pay](#)

- ***Debt Collection Agencies***

Sometimes you may be contacted by a Debt Collection Agency on behalf of HMRC. Debt Collection Agencies have broadly the same powers as HMRC to agree time to pay of up to 12 months. But they are not tax experts, and may not understand how the debt has arisen. Any queries about the amount should be raised with HMRC.

Debt Collection Agencies are authorised to contact taxpayers by phone and letter; they are not authorised to carry out personal visits. If the Debt Collection Agency fails to reach an agreement with a taxpayer they will refer the case back to HMRC to consider further enforcement action. Sometimes HMRC asks Debt Collection Agencies to collect only part of a debt; this means that the amount being pursued may not be the total amount due.

- ***Recovery Action***

If you fail to agree a payment plan with DMB then recovery action is likely to be taken. Recovery action may include legally taking control of goods, removal of funds from your bank account (called Direct Recovery of Debt – England, Wales and Northern Ireland), court action in the Magistrates' Court or County Court, or Bankruptcy proceedings.

NB There is very little risk of criminal prosecution or imprisonment for tax debt. Some people fear that failure to pay tax on time may lead to criminal prosecution and imprisonment. In fact, this is rare. HM Revenue and Customs does prosecute some people every year, but these cases involve allegations of serious dishonesty or tax evasion. HMRC does not take such action just because someone has not paid their tax on time, or has difficulty finding the money to settle.

For more information on Taking Control of Goods and Direct Recovery of Debt – see <http://taxaid.org.uk/guides/taxpayers/tax-debt/enforcement-action>

For more information on County Court Proceedings – see <http://taxaid.org.uk/guides/taxpayers/tax-debt/countycourt>

- ***Debt Relief Order***

If you have few assets and debts of under £20,000 then you may want to apply for a debt relief order (DRO). This procedure has a lower cost, is more informal, and has less publicity than bankruptcy. It was introduced in England and Wales for people who have more modest debts, have little or no disposable income and no assets to repay what they owe. (A similar scheme exists in Scotland). DROs cost £90 and are administered by “authorised intermediaries” (eg many Citizens Advice money advisers).

- ***Bankruptcy***

If you owe HM Revenue and Customs more than £5,000, and have been unable to reach an agreement with HMRC for time to pay and HMRC has not been able to recover the money by

other means, such as taking control of goods, or by a Court Judgment then your file may be passed to the HMRC Enforcement and Insolvency Office (EIO) for bankruptcy action.

Being made bankrupt by HMRC is broadly similar to being made bankrupt by a commercial creditor, but HMRC may pursue bankruptcy even where it is clear that there are no funds available or where the taxpayer has no significant assets. Where the debt has arisen due to a tax enquiry or tax evasion, it is likely that HMRC will pursue the debt to bankruptcy.

For more information on the process of bankruptcy please see the [Bankruptcy](#) section of our website.

- ***Individual voluntary arrangements***

Bankruptcy can sometimes be avoided by entering an individual voluntary arrangement (IVA) with your creditors. This is an arrangement to pay your debts over a period of time. Usually you will pay back less than the full amount owed, by agreement with your creditors. The agreement may last 5 years or more and must be approved by over 75% of your creditors (by value of the amounts owed).

Unfortunately, many people facing tax debts are unable to make an IVA because:

- They have insufficient on-going income to fund an IVA. You need a relatively high income to cover repayments to creditors and to pay the insolvency practitioner who is required to supervise the IVA, or
- Creditors who are owed 25% of the total debt vote to block the proposals. If HMRC is your major creditor, its vote alone could block the IVA

- It is worth exploring this route if you want to avoid bankruptcy and you have sufficient on-going income. Most insolvency practitioners will be happy to have a short meeting with you – without making any charge – to consider whether this is possible. However, it can be very difficult to obtain HMRC's agreement to an IVA. In practice more than half the proposals submitted are likely to be rejected by HMRC.

Further information on tax debt:

<http://taxaid.org.uk/guides/taxpayers/tax-debt/sa>

In addition, you may find the following links useful:

<https://www.gov.uk/find-an-insolvency-practitioner> (to search for an Insolvency Practitioner on-line)

<http://bankruptcyadvisoryservice.co.uk/> (Bankruptcy Advisory Service)

<http://www.rcjadvice.org.uk/bankruptcy-service/> (Citizens Advice at the Royal Courts of Justice bankruptcy advice service)



Tax debt?

Can't afford to pay?



§§§ TaxAid

Thousands of people are unable to pay their tax on time, and many have sleepless nights worrying about going bankrupt, losing their home or job, or even going to prison.

The worst thing is to ignore the matter. Your situation may not be as bad as you think, but you should act quickly. If you do nothing at all, you increase the risk of legal action against you.

Most often, you will become aware that you owe tax in one of the following ways:

- you may receive a letter from HM Revenue and Customs (HMRC) stating that not enough tax was taken off your employment or pension income, and enclosing a calculation of the tax "underpaid". You may not previously have much contact with HMRC. The action to take is explained at pages 03 and 04;
- if you have previously been sent a tax return, then you may receive an HMRC Statement showing that tax is due, or a letter or telephone call demanding payment under threat of legal action. The processes followed by HMRC, and the legal actions they can take, are all explained at pages 05 to 23.

Do not ignore a letter or demand from HMRC which states that tax is due, as this will usually make things worse. Quite often, a quick response can reduce the size of the problem.

Note on Tax Credits: HMRC also recovers overpayments of tax credits. The procedures are very different and beyond the scope of this booklet, but there is some brief guidance at page 23.



What to do if you have never declared your income? For some people the tax bill has yet to be worked out. Getting back in the system is possible. Go to page 24 for details.



Recovery of underpaid PAYE

If you have earnings from employment and/or any pensions from previous jobs, then tax is normally taken off under the Pay As You Earn (PAYE) system. PAYE should collect the right amount of tax from most people each year.

However, you may not have paid the right amount where, for example:

- you were given your annual tax free allowance against more than one job or pension;
- a taxable social security benefit - such as incapacity benefit or state pension - was ignored;
- you received allowances which were not due to you, or have not received some that were due.

A new computer system now enables HMRC to check whether the right amount of tax has been paid, shortly after the end of each tax year. If you have received a bill for a tax year upto 5th April 2011, look at the guidance under points to consider facing.

If HMRC say you have not paid enough tax

If HMRC's calculation shows that you have underpaid tax of:

- Less than £50 for that year, then the tax should be written off. If you receive a letter asking for payment, call HMRC on 0845 3000 627 and ask for the debt to be cancelled¹; or
- £50- £2,999.99, HMRC will normally collect the unpaid tax by reducing your PAYE tax code for the next tax year. You should receive a coding notice shortly before the next 5th April showing the adjustment made; or
- £3000 or more, HMRC will ask you to pay the full amount directly. If you do not respond, they will issue a tax return for the year(s) concerned

Points to consider

Underpaid PAYE for tax years up to 5th April 2011

Special rules applied to underpayments for tax years 2007/2008, 2008/2009 and 2009/2010. In some cases 2010/2011 may also be affected. In particular where a taxable state benefit, such as state pension or Incapacity Benefit was not adjusted for in your tax code, HMRC should write off the underpaid tax.

Cont'd over...

1. HMRC numbers are subject to change; alternatively contact HMRC using the number shown on the letter.

Check the calculation

Make sure that your employers and pension providers are correctly shown, and that the figures for income, and tax taken off under PAVE, are the same as those on any documents you hold (P45, P60, P11D or payslips). There is guidance on this on the HMRC website at www.hmrc.gov.uk!P800. If you need guidance or find any error, call HMRC on 0845 3000 627.

Error or delay

There may have been a mistake or delay for which you should not be held responsible. The official guidance (at www.hmrc.gov.uk!manuals/pommanuai!PAVE95011.htm) says that HMRC must collect the unpaid tax from your employer or pension provider if they have failed to operate PAVE correctly. This could be where they used the wrong tax code, or failed to process a form P45 or P46 correctly when you joined them. Write to HMRC for confirmation that they have checked for any such employer error.

If you think tax was underpaid because of a mistake or delay by HMRC, you can ask them to consider writing off some or all of the tax. It must have been reasonable for you to have thought that your tax code was correct, and HMRC must have delayed using information for at least 12 months from the end of the tax year in which it was received. See the HMRC website at www.hmrc.gov.uk!esdesc.htm for more details.

Hardship

If a tax debt between £50- £2,999.99 is to be collected through PAVE, and this will cause hardship if it is all done in a single tax year, you can ask HMRC to spread the collection over two or three years instead.

Avoiding Self Assessment

If the debt is £3,000 or more, there are two alternative ways to get more time to pay, and avoid getting tax returns, but you must contact HMRC without delay:

- if you can pay some of the tax immediately- to reduce the debt below £3,000 - then the rest should be collected through your PAVE code e.g. Harry owes £3,500 and is able to make a payment of £501 straight away, reducing the debt to £2,999. The remaining debt should then be collected through his PAVE code over one year, and can be extended up to 3 years in case of hardship. This avoids the need to complete tax returns and allows more time to clear the debt;

OR

- if you contact HMRC on 0845 3000 627 immediately- and explain that you cannot pay the full amount right away- they should allow you to make payments over a period of time. Such arrangements may extend over several months, or longer, depending on your personal circumstances.

Check any refund

If you have paid too much tax, HMRC will automatically send you a refund. It is still important to check the calculation since, if HMRC has made a mistake, they could ask for the money back later on.

TaxAidTIP

HMRC can now collect underpayments of tax and overpayments of tax credits of up to £3,000 through your PAVE code if you have not made alternative payment arrangements. So check your PAVE code carefully.

Tax debts under Self Assessment

Self Assessment is the system under which HMRC administers tax due on income from self-employment, rental income, capital gains and other sources. It is also used to collect PAYE underpayments of £3,000 or more (see page 04). Under Self Assessment, you are expected to complete a tax return each year, and to pay tax directly to HMRC.

You may first become aware of a problem when a debt appears on your Statement of Account, or you receive a letter threatening legal action. Soon after that Debt Management and Banking (DMB) will try to contact you by phone. DMB will want you to make immediate payment.

If you have a tax debt problem it's important to understand these different roles within HM Revenue and Customs. DMB deals with collection of tax due, not with the assessment of income which is the basis of the tax bill. If you can't pay your tax, the first office to contact is Debt Management and Banking. If you think the amount of tax is wrong or if you need to file tax returns, you may need to contact your tax office as well.

What to do next?

1. The amount demanded might be wrong

You must act promptly to get the figure sorted out. A simple error, such as a failure to credit a payment you have made, can be corrected by a phone call. But an unexpectedly high tax demand may include a "determination" -an estimate made by HMRC when they have not received your tax return. Even if this is much higher than your true liability for the year, it is legally due and enforceable. The only way to cancel a determination is to complete and send in a tax return. You may need to offer DMB some interim payments while the final tax bill is sorted out.

2. You need time to pay

If you owe tax which you cannot pay immediately, then you may want to seek some agreement with DMB to pay your tax by instalments. You will need to complete all outstanding tax returns and explain how you will meet on-going tax bills. The maximum time you will normally be allowed is 12 months, though a shorter timescale is more usual. Interest will still be due on the debt.

Go to page 07 for details

3. You may be at risk of enforcement action

If you cannot reach an agreement with DMB, you face the risk of enforcement action. It is important to understand what each procedure involves, and the defences that could help you.

Go to page 14 for details



TaxAidTIP

Missed the 31st October paper filing deadline? You can avoid a penalty by filing on-line by 31st January. You will incur a penalty of £100 if you miss this deadline, but you will be avoiding the escalating penalties of paper filing. Go to www.hmrc.gov.uk to register for a gateway number and pin-activation code. It can take a couple of weeks to get the code through the post so do not delay.

1. The amount demanded may be wrong

In many cases, you may not agree with the amount of tax shown on a Statement of Account, or demanded by DMB. There could be a simple error - such as failure to credit a payment you have made - which can be sorted out by a phone call to the telephone number shown on your Statement of Account.

In other cases, the statement might be based on an estimate of your income (a "determination"), because you have not sent in your tax return. It is usually possible to get it corrected, provided you follow the right procedures.

If you have not completed any tax returns you will be liable for any penalties, surcharges, interest and tax charged under a "determination". These are treated as being correct and are enforceable until the completed tax return is submitted, and the tax bills are revised.

Once the tax return has been submitted, the amount of tax is revised and you will then be asked for this revised debt plus interest and any penalties and/or surcharges which remain due in respect of the revised debt. If the tax bill seems wrong based on your tax return there are routes to amending it for up to four years. You may need to claim Overpayment Relief.

DMB is concerned not just with payment of outstanding tax, but also with bringing your affairs completely up to date. If you have not sent in all your tax returns, DMB is likely to continue taking action against you, even if you pay all the tax demanded. It is in your best interests to send in all your tax returns as soon as possible. This may reduce the size of the tax debt to more manageable proportions.

You might think that the amount demanded is too high but, for the tax years from 2010/11, penalties for late filing of tax returns will be charged and can reach £1,600 in the first 12 months, even if no tax is due. They include:

- £100 for missing the filing deadline;
- £10 per day for up to 90 days (£900) where a return is over 3 months late; &
- an additional £300 at 6 months and 12 months late.

It is possible to appeal if you have a reasonable excuse.



TaxAidTIP

Tax returns can be made even after the legal deadline. If your tax demand includes a "determination" from several years ago, HMRC may say that it is too late to submit a tax return, as these cannot be accepted more than four years after the tax year end. However, there is a "Special Relief" which requires HMRC to process returns after that deadline if it would be "unconscionable" for them to refuse. There are very stringent conditions which are difficult to meet in practice. There is more information on Special Relief on our website at www.taxaid.org.uk in the tax debt section. If you have received determinations from HMRC from several years ago call TaxAid's helpline on **0345 120 3779**.

2. You need time to pay

Seeking time to pay

Once you have established that this is a "true" debt, if you can't afford to meet it you may need to negotiate time to pay.

Although tax should normally be paid when it falls due, DMB may allow you to pay your tax over a period of weeks or months (and sometimes even longer).

Interest will be added although the amount involved may be small and, unlike some other creditors, HM Revenue and Customs has no discretion over the amount of interest charged. It cannot "freeze" the interest to help you to clear the debt.

If you try to seek an agreement, DMB will want to know why you can't pay the debt immediately and in full. Normally you will make contact with DMB by phone. You should be aware that you may be asked a lot of personal questions. For example, DMB may want to know what other members of your family earn, or what you spend on clothes or holidays.

From your point of view, the only reason for having such discussions is to try to avoid DMB taking enforcement action against you. You can choose not to discuss matters (in particular, the earnings of other family members), but you then increase the risk of enforcement action, as DMB may feel that they have no other way of collecting the debt.

Depending on your circumstances you might ask DMB for:

- a payment arrangement; or
- suspension of collection action for a period; or
- waiver of the tax.



TaxAid TIP

Reducing payments an account (where tax bill lower than last year). Commonly a tax demand will include "payments on account" for the latest tax year. If you think that your tax bill will be lower than previous year, you can "claim to reduce the payments on account" by completing a form SA303. This can be downloaded from www.hmrc.gov.uk (search for "SA303"), or you can request the reduction by phoning the HMRC office shown on your statement.



Payment arrangements

Most agreements involve making a payment arrangement. Typically you offer to pay a certain amount each week or month, until the tax plus interest is cleared. Taxpayers with a good compliance record - those who have previously paid their tax on time and kept their returns up to date- can make a good case for an arrangement that suits their current circumstances. The essence of DMB's approach is to separate taxpayers into two categories, the genuine "can't pay" and the "won't pay". Taxpayers who make no attempt to contact DMB are treated by default as people who "won't pay". Individuals who come to Voluntary and Community Sector organisations for advice are normally treated as genuine "can't pay" cases, once contact with DMB has been made.

"Can't pay" taxpayers who want a payment arrangement will be expected to:

- complete all outstanding tax returns very quickly; &
- pay the arrears of tax, plus interest, surcharges and any penalties over the period of the arrangement; &
- show that they can provide for on-going tax bills that will arise during that period.

The maximum timescale allowed for doing this will normally be 12 months, with longer periods allowed in very exceptional cases, but in practice DMB normally wants the money paid much quicker than this.

Even with a time-to-pay agreement in place, interest will still be charged on any overdue tax.

On occasion you may be under pressure to reach an agreement to pay a bill which includes a "determination" then the tax, surcharges, penalties and interest due under the

arrangement will be revised when your tax returns have been submitted. It can become very complicated to track which bits have been paid, which are still owed and attracting interest and penalties. You can ask for a full statement of account from DMB to list your transactions.

DMB will require details of savings and other assets plus full income and expenditure information before an extended time to pay agreement is accepted. Short-term time to pay agreements of a few months duration only, may be agreed with less detailed information.

DMB prefer this information to be given by phone during the initial contact if possible. Your expenses will be reviewed by the Debt Management officer and any which are thought to be unusual, large or exceptional may be challenged. It may well be worth taking advice to help prepare these figures.

You will need to agree a payment plan with DMB. This plan must cover not only the tax currently outstanding, but also any future tax liabilities as they arise during the period of the plan. This would include "payments on account" in January and July if you are self employed.

You are more likely to receive a sympathetic response if there are exceptional, unforeseen reasons why you *can't* pay, such as a sudden illness, or the insolvency of a major customer.

TaxAid TIP

If you have not yet fallen behind with your tax payments, but expect to receive a demand in the near future which you will be unable to pay, consider contacting HMRC's Business Payment Support Service (BPSS) on 0845 302 1435. The BPSS can agree a payment arrangement, which may be easier than negotiating with DMB after a demand is received. For more information see www.hmrc.gov.uk/payinghmrc/problems/bpps.htm



If you have mental health problems

HMRC's duty to you

Under the law, HMRC must make "reasonable adjustments" for a person with a "mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities".

HMRC's internal guidance for DMB staff says that:

- your affairs should be handled sensitively and sympathetically;
- if you provide evidence of a mental health problem, then DMB may agree not to enforce the debt if this would cause unreasonable distress to you; &
- DMB staff should refer to the Money Advice Liaison Group guidelines for an explanation of good practice in pursuing debts from people with mental health problems.

The Money Advice Liaison Group guidelines are at <http://www.malg.org.uk/dmhdocslist.html> and the DMB guidance is at www.hmrc.gov.uk/manuals/dmbmanual/dmbm585185.htm

What this means in practice

This does not mean that DMB will simply write off your tax. But if you can provide DMB with evidence that you have a mental health problem, such as a letter from your GP or other health professional, then you may reasonably ask for some leeway in the way you are treated. For example:

- if you need a little time to obtain evidence of your mental illness, this should be given;
- if DMB has asked for any details of your financial situation, but because of your illness you find paperwork particularly stressful, you should be allowed extra time to get help to gather this information;
- if you are unable to give any attention to your tax debts for a short period while you are in hospital or undergoing other treatment, DMB should normally be prepared to suspend action for a short period;
- if you can show that enforcement action being threatened by DMB (see pages 14 to 23) would be harmful to your health and that the tax debt could be settled as quickly in another way, then DMB should take due account of this; &
- if your mental illness is expected to continue in the long term, with little likelihood of improvement, and that it is highly unlikely that you will ever be able to pay the tax, then DMB should consider "remitting" the tax so that no further action is taken unless your circumstances improve unexpectedly.

TaxAidTIP

Speaking to DMB. It may feel difficult to speak to DMB about your own mental health. You may prefer to ask a care worker, friend or relative, or an advice agency such as TaxAid to speak to DMB on your behalf. DMB should be willing to speak to them, but may ask you to sign a letter or form of authority first.

You may be contacted by a debt collection agency

HMRC now uses private debt collection agencies to follow up some tax debtors by telephone. Before your details are passed to such an agency you should receive a letter from DMB warning that this will happen if the tax is not paid immediately. The agency will phone and ask you to make payment in full if you have the money to do so, or by a payment arrangement. The agency should always conduct itself with the same courtesy and professionalism as HMRC. If you cannot reach agreement, your case will be passed back to DMB for consideration of enforcement.



TaxAidTIP

Make sure DMB understands that you **can't pay...** "Won't pay" taxpayers, and those who have been late with payments before, are likely to be put on a fast track to recovery action. It is therefore worth explaining carefully why you "can't pay" rather than risk leaving it to their judgement and being seen a "won't pay".

If your request is accepted

If DMB, or a debt collection agency appointed by HMRC, agrees to your request for time to pay, you should receive confirmation of this in writing.

If you receive a verbal agreement at a meeting or on the telephone, ask for it to be confirmed in writing. If not, there could be difficulties later if there is a dispute over exactly what was agreed.

Having an agreed payment plan in place will mean that you avoid the surcharges for late payment.

If Debt Management & Banking rejects your proposal

DMB has a duty to consider your proposal. If you believe that it has been rejected out of hand, without being properly considered, you can make a complaint and ask for your proposal to be referred to a more senior official and for a full response in writing.

If you fail to agree a payment plan with DMB, then recovery action is likely to be taken. Recovery action may include legally taking control of goods (previously known as distraint), court action in the Magistrates' Court or County Court, or Bankruptcy proceedings.

Other points on time to pay



Lump sums

DMB is most unlikely to accept a lump sum of less than the tax due in full settlement. But an offer of a lump sum may help to persuade DMB to accept the rest of the tax over a period of time.

For example, Julian owes £2,000 in tax but has no money or other assets and is unemployed. He does not want to face enforcement action, and he tells DMB that his mother will give £1,000 towards settling the debt if HMRC will agree to write off the rest. DMB may not agree to this, even though HMRC are likely to receive nothing if it proceeds to enforcement action (since Julian has no income or assets). But offering the lump sum may mean that DMB is more willing to agree time to pay for the balance of the £2,000 that Julian owes.

Only offer what you can afford

When making a proposal, be careful of offering more than you will be able to afford. If you fall behind with an agreed scheme of payments, you may try to renegotiate, but you will have lost some credibility and the DMB officer may decide to proceed to enforcement.

Short delays while you sell an asset

If you are requesting a short delay, for example to allow you to raise funds by selling a property, or your business, DMB may agree to grant the extra time.

Suspension of collection action for a period

DMB may agree to suspend making demands for a period if you are temporarily unable to pay the tax, for example because you are unemployed or have business or health problems that should end fairly soon.

Typically, such an agreement may last for three or six months, with a review of your circumstances at the end of that period.

Waiver of tax

Very occasionally HMRC decides not to pursue payment of a tax bill. This is sometimes known as remission. The tax is not permanently written off, but you will not receive further demands unless your circumstances improve unexpectedly.

Remission is most common in the case of a person who is elderly, sick or long term unemployed, and has no assets of particular value. If these are your circumstances you might want to contact TaxAid's helpline 0345 120 3779 for advice on how to put your case to DMB.

Freezing of interest

HMRC cannot agree to "freeze" interest on the tax, so as to help you to clear the debt. HMRC is obliged by law to charge interest.



Some practical pointers

It is important to understand who you are dealing with and be sure it is the right person to deal with your particular problem.

People within DMB do not deal directly with your personal tax return, although they may contact you if your tax returns are outstanding. The issue and processing of tax returns is dealt with by "Processing Centres". It is the Processing Centre which works out how much tax you owe and processes your return.

In general if you cannot pay you must speak to someone from DMB. This can be at one of the Accounts Offices (call the Payment Helpline on 0845 366 1204), the local DMB Office or the Enforcement and Insolvency Service. You should contact the office from whom you have received the most recent contact.

You are likely to be contacted by phone. If so talk to them about the problem there and then or if you are left a message don't ignore it. Call them back - the problem is unlikely to go away and they certainly won't!

Most initial requests for payment are sent from the two "Accounts Offices" in Cumbernauld and Shipley.

"Time to pay" helpline number: 0845 366 1204

If matters need to be pursued locally e.g. for enforcement action where payment has not been made, this is dealt with by a "Debt Management Office". Cases involving bankruptcy are handled by the Enforcement and Insolvency Service (EIS) which is based in Worthing.

How Debt Management negotiates

If you enter discussions with the DMB, you must understand that HM Revenue and Customs will not always act the same as other creditors.

Issues of policy

Apart from collecting your tax, DMB has a wider duty to protect the tax system as a whole. So it will sometimes make a person bankrupt even where it is clear that he or she has no assets. This may be done to stop further arrears accumulating, to strengthen HM Revenue and Customs' position if the person involved starts up in business again, or by way of example to encourage other people to pay their tax on time. On the other hand, DMB may sometimes decide not to take enforcement action if this would close a business down and lead to many redundancies.

Negotiations can be very personal DMB will pay regard to your personal circumstances, and the following points may help and should be mentioned:

- if you are elderly;
- if you are in poor health or have family problems;
- if you are unemployed or dependent upon tax credits and/or welfare benefits; or
- if you have always paid your tax on time before.

On the other hand, it will not help if:

- you are, or have been, rude or aggressive to any HMRC staff;
- you have paid other creditors in preference to HMRC; or
- you have had unpaid tax debts before.

Other factors that may be taken into account

DMB will also be influenced by the following factors.

The size of your tax debt. It may be easier to reach an agreement if the amount unpaid is relatively small.

If you are about to leave the country. DMB will not allow discussions to drag on if there is a risk that you are about to leave the UK. But remember that HMRC has agreements with overseas tax authorities to assist it in collecting UK tax debts if you move abroad, so leaving without paying your debt will not make the problem disappear.

If the tax bill has arisen unexpectedly. Particular sympathy should be shown if you owe tax because of a mistake by HM Revenue and Customs. For example, if DMB is trying to collect a refund which you could not have known was given to you in error. In some circumstances they may waive the debt altogether under a practice known as Extra Statutory Concession A 19 - see www.hmrc.gov.uk/specialisVesc.pdf for details.

On the other hand, DMB can sometimes appear hard on self-employed people unable to pay their tax on time. They will often say that you have no excuse, because you should have set aside the money to pay the tax when the income was earned. Self-employed people often complain that DMB officials have little understanding of what it is like to run a business, and how difficult it can be to set money aside, or the problems that arise if a customer goes bust or disappears.

The earlier you make contact to discuss the situation the easier it should be to reach an agreement acceptable to both sides. If you do not, you risk enforcement action by HMRC. It is important to be aware of which kind of office you are dealing with (see section "Some practical pointers" on page 12), as this may indicate what enforcement action is imminent.



3. You may be at risk of enforcement action

There is *very* little risk of criminal prosecution or imprisonment. Some people fear that failure to pay tax on time may lead to criminal prosecution and imprisonment. In fact, this is rare. HM Revenue and Customs does prosecute a small number of people every year, but all cases involve allegations of serious dishonesty or tax evasion.

HMRC does not normally take such action just because someone has not paid their tax on time, or has difficulty finding the money to settle.

It is important to know what DMB will do if you refuse to seek an agreement, or cannot reach an agreement.

In such circumstances, DMB will consider taking enforcement action, which will be one of the following measures:

- Legally taking possession of goods for sale at public auction (formerly known as distraint);
- Summary Proceedings in the Magistrates' Court (or Sheriff Court in Scotland);
- County Court proceedings; or
- Bankruptcy.



Legally taking possession of goods is a process formerly called "Distraint", whereby HM Revenue and Customs may take some of your possessions for sale at auction towards settlement of an unpaid tax bill. HMRC has the legal power to do this without any court order.

Threats of distraint or legally taking possession of goods should not be ignored, but it may be reassuring to know that:

- the first visit may be from a member of HMRC's "Field Force", local staff whose initial function is to check the debtor's address, and make face contact with them, so as to see if matters can be sorted out without resorting to enforcement;
- the HMRC officer should act within the law, and you need not fear the illegal behaviour that is sometimes reported of bailiffs who carry out the process for other debts;
- the HMRC officer cannot force his way into your premises without a court order, and such orders are *very* unusual; and
- in practice only a tiny number of such visits lead to sales at auction.

If you do not agree that you owe the tax demanded, or believe it is a lot less, you should tell the HMRC officer, but you will find that he is in a non-negotiable position once he is in your home.

What should you do?

Some people are very frightened by the thought of an HM Revenue and Customs officer turning up at their home and taking possession of their goods.

If so, the first thing is to ensure that you have done everything possible to pay the tax or reach an agreement with HMRC. But in some cases it is not possible to obtain an agreement.

If you are upset at the thought of the HMRC officer turning up at your home, you might be able to persuade him that such a visit would be pointless because you have no assets worth seizing, perhaps by offering a list of the main items that you own. If so, you should explain this to the HMRC officer and tell him you would prefer to deal with this on the phone, or come to see him at his office instead. If he will not agree to this, and makes a visit to your home, you do not have to discuss the debt with him there and have the right to deny him entry.

You may be worried because you have a family member who suffers from poor health or stress, who might be very upset by such a visit. If so, you should explain this to the HMRC officer and ask him to visit at a time when that family member is expected to be out. He should normally agree, and it is a good idea then to write a letter to him confirming what has been agreed.

For a more detailed explanation of the factors involved go to the section on TaxAid's website www.taxaid.org.uk.

Points to note:

- HMRC does not normally take such action for debts below £100;
- there are some goods that are protected from such action, e.g. basic household goods;
- tools of your trade may be at risk if you have no other assets or way to pay;
- vehicles can be particularly at risk; &
- only assets owned by the taxpayer exclusively should be included.



County Court proceedings

If the officer from DMB is unable to recover your tax by distraint, and the amount is large, then he may immediately transfer the file to HMRC's Enforcement & Insolvency Service for consideration of bankruptcy proceedings (see page 20). In other cases he will probably seek a **judgment** (CCJ) in the County Court², which orders you to pay the amount due.

The main disadvantage of a County Court judgment is that it will affect your credit record. On the "plus" side, there is a procedure to ask the court to order the debt to be paid by instalments, and County Courts can be quite sympathetic in allowing time to pay. In many cases County Courts order payments at a level previously rejected by DMB in negotiations.

Most County Court actions are conducted purely by paperwork. It is unlikely that you will be required to attend a hearing.

If you fail to make any payment due under a court order, DMB will usually pass your file to the HM Revenue and Customs' Enforcement & Insolvency Service office to consider proceedings for bankruptcy. Unlike other creditors they rarely opt to enforce through the County Court instead.



2. The procedure for Magistrates Court is very similar, the major difference being that these cases involve debts limited to under £2,000.

Things you need to do:

You need to act quickly

Consider: is the amount HMRC are suing for correct? (see page 06). If not, you cannot leave it until you are in Court as the Court has to accept HMRC's position that tax has been charged and has not been paid; this applies even if the tax debt is estimated. If you are disputing the amount of the debt get some additional time to sort it out by contacting DMB and asking them to delay court action.

Note that, if a Court action is brought by other creditors, you should ensure that any tax debt is taken into account in determining what you can afford to pay, or you may find that you remain incapable of paying your debts. It may take a while to agree with HMRC the correct amount due and, if in the meantime HM Revenue and Customs has obtained a judgment for the full amount claimed, the debt due under the judgment is reduced to reflect the correct amount due.

What happens first You will receive a County Court claim which lists the amounts claimed by HM Revenue and Customs together with court costs. The claim is accompanied by a response pack, which contains three forms:

- Defence and counterclaim;
- Acknowledgement of service; &
- Admission.

The first two forms are needed if you wish to contest the claim, and the third form to ask for time to pay.

It is always worth completing the Admission, if you want to pay by instalments, even if you cannot offer very much. You should offer only what you can genuinely afford. If you offer more than you can manage, and the court makes an order for instalments at that level, and you then fail to meet the payments due, HMRC can take further enforcement action.

If you do nothing

If you do not respond at all within 14 days from the service of the claim, DMB can ask the court to enter judgment against you. You will then receive a document from the court stating that a judgment has been given for the amount claimed by HM Revenue and Customs, and that payment must be made "immediately".

If you do not pay in response to this demand, HMRC can ask the Court to enforce its judgment. The Court has powers to require you to attend Court and provide evidence of your means (ability to pay) and may authorise direct payment by attaching your income through your bank or employer. If you ignore such a "Judgment Summons" you may be imprisoned for contempt of Court.

In practice however if local court action is unsuccessful and the debt is more than £2000, the case will usually be referred to HMRC's Enforcement & Insolvency Service for consideration of bankruptcy proceedings (for more information, see Bankruptcy on page 20).

Contesting the claim



If you think that the amount shown in the claim is wrong, you might feel encouraged to contest it in the County Court, using the Defence and the Acknowledgement of service forms contained in the response pack. However, these are standard forms that are sent out by the County Court with claims for all kinds of debts, and the paperwork does not tell you that **it is very difficult to contest a claim by HM Revenue and Customs successfully in the County Court because the certificates that will be produced by HMRC, stating that tax has been charged and has not been paid, must be accepted by the court as sufficient evidence that the tax is due.** So there is hardly ever any point in contesting the amount through the court.

If you do think that no tax is due or that the figures on the claim are wrong, take the matter up with HM Revenue and Customs directly. At the same time, ask Debt Management to delay asking the court to enter judgment. This can help to avoid the situation, for example, where HMRC obtains a judgment and it is later agreed that there was actually no tax to pay.

If, having looked into your case, HMRC accepts that there is nothing due, it should take no further action on the claim. If it accepts that there is just a small amount due, Debt Management may agree not to obtain a judgment if you can pay it fairly quickly.

Asking the court for time to pay

If you accept that you owe all or part of the amount claimed, and you do not have the means to pay it, then HM Revenue and Customs will want judgment entered against you. A court judgment can require payment immediately.

To avoid this, you can ask the court to make the judgment debt payable over a period of time. This is done by completing the Admission form that comes in the response pack. You give details of your financial situation and make an offer to pay based on what you believe you can afford, (usually) a certain amount each month, or (less often) the full amount by a specified date in the future.

After completing the Admission, you send it to HMRC at the address shown on the claim. This must be done within 14 days of the date the claim was served on you, so that the Court has this information and the Revenue's comments available when making their judgment.

If HMRC is not happy with the proposal you have made, it will advise the court of this, but it is for the court to decide the payments that will be ordered. And this will usually be done by the court staff without a hearing.

You will then receive a document from the court stating that a judgment has been given for the amount claimed by HMRC, and how payment must be made. The court may well order payment in accordance with what you offered on the Admission form.

Once judgment has been given, you must make payment in accordance with it. If you do, HMRC cannot take further enforcement action in relation to that debt. If you fail to do so, HMRC can take further enforcement action - and they are known to be extremely harsh in respect of broken agreements - so it is vital that you inform HMRC if your circumstances have changed radically and you can no longer afford to keep to the Court agreement.

You should then apply to the court for a variation of the order, to reflect what you can afford to pay. The procedure is very similar to that for an Admission (described above).

Getting help

County Court claims, procedures and forms can be difficult and you may want to get help.

If there are problems relating to the amount of tax due, or negotiating with HMRC, and you cannot afford to pay an accountant or tax adviser, you may contact TaxAid. See back cover for contact details.

Advice on court procedures and forms is available from Citizens' Advice Bureaux and law centres. County Court staff can also be very helpful.

Useful guidance and downloadable forms may be found on Her Majesty's Courts Service website
www.hmcourts-service.gov.uk



Tax debt and bankruptcy

Bankruptcy is one way the law deals with people who are unable to pay their debts. Following an order of bankruptcy, a Trustee is appointed who takes possession of your assets towards payment of your debts fairly between your creditors, according to certain rules. Bankruptcy also imposes a number of restrictions on what you can do. For detailed information on bankruptcy obtain advice from an adviser from the list of contacts on page 27. Being made bankrupt by HMRC is broadly similar to being made bankrupt by a commercial creditor, but it may help to understand HMRC's particular procedures discussed below.

If you owe HM Revenue and Customs more than £2,000 - and the local recovery office has been unable to reach an agreement with you or to enforce payment by distraint or a CCJ - then your file may be passed to HM Revenue and Customs' Enforcement and Insolvency Service (EIS) for consideration of bankruptcy proceedings.

What happens when your file reaches the Enforcement Office?

When your file reaches the EIS, it will write to ask you to pay the full debt quickly (normally within 14 days) or to make a proposal for payment. It will sometimes accept an arrangement for the tax to be paid within a matter of months, but will not usually consider any offer that will take over a year to clear the debt.

If you are not able to pay the tax or agree a payment arrangement, or if you fail to stick to a payment arrangement, the Enforcement Office will usually write to say that it is starting bankruptcy proceedings.

It is important to understand that the Enforcement Office does not behave like most commercial creditors. In particular, it often petitions for bankruptcy even where it is clear that this will not benefit HM Revenue and Customs because the taxpayer has no assets. Indeed, sometimes the bankruptcy costs the government money, because the bankrupt loses their home and/or job and is forced to rely upon social housing and/or welfare benefits.

Very occasionally the Enforcement Office may decide not to take further action against a person who is unable to pay. This might apply where you have no assets and a low income, and your situation is unlikely to change in the future because you are older or suffering from long-term poor health.



The statutory demand

The first stage in the legal process is the service (i.e. delivery to you) of a statutory demand, which is a formal document stating the amount owed to HM Revenue and Customs. Normally this will be delivered to you by hand.

By law you may apply to have a statutory demand from any creditor "set aside", for example because the amount demanded is not due, but in tax cases such an application is unlikely to be successful. This is because the certificates produced by HMRC, stating that tax has been charged and has not been paid, must be accepted by the court as sufficient evidence that the tax is due.

The bankruptcy petition

After three weeks have passed following the service of a Statutory Demand, HMRC may proceed to present a bankruptcy petition.

The petition is usually filed in the High Court in London, but it may be possible to have the hearing transferred outside London though HMRC is likely to oppose such an action. The petition is served on you personally. If you try to keep out of the way, so as to avoid receiving the petition, the court may order service in another way, for example by post or advertisement.

The petition gives details of the tax due and tells you the date and time when the case will be heard at the Bankruptcy Court.

The bankruptcy hearing

There is a process for opposing a bankruptcy petition but, as with a statutory demand, there will not often be good grounds in a tax case.

More often, you may want to ask the court for an adjournment, to allow time to raise the money, or

- reach a payment arrangement with HM Revenue and Customs; or
- contest the amount demanded; or
- make a complaint if you believe that this might lead HMRC to withdraw its demand.

The court may well be prepared to grant an adjournment for two months or so.

If during the period of the adjournment (or further adjournment(s) if granted) you are successful in raising the money necessary to clear the tax debt, or in reaching an agreement with HMRC or in getting the tax demand withdrawn, then HMRC will apply to have the petition dismissed, which is the end of the matter.

If you are not successful, HMRC will ask the court to make an order for your bankruptcy, to which the court is likely to agree.

Bankruptcy is good for some people

Although the term "bankruptcy" may sound negative, it can sometimes help a person who is hopelessly insolvent and needs a fresh start. You need to weigh the "downsides" of bankruptcy against the possible advantages.

The main advantages of bankruptcy are that:

- when you are discharged from bankruptcy (normally after one year) - income tax and other debts are written off (apart from maintenance obligations, parking fines and student loans); &
- your creditors may no longer contact you about your debts.

The main disadvantages of bankruptcy are:

- you may lose valuable assets such as your home, investments and valuable private possessions;
- until you are discharged you are prohibited from certain jobs - e.g. being a company director, lawyer, chartered accountant, or justice of the peace;
- until discharge, you may not seek credit of more than £500 without declaring that you are bankrupt;
- you may have to make payments out of your income for the benefit of your creditors for up to 3 years; &
- your bankruptcy is published in the London Gazette and the Insolvency Service's website, so people who know you personally may become aware of it, which may be embarrassing.

While many people would not want to accept these disadvantages, they may not matter much to you if you have little of value and are in a job that is not prohibited. Your home is unlikely to be at risk if it is rented, or you own a property with negative equity. If so, you may not mind

HMRC petitioning for your bankruptcy. Indeed, you may decide to speed things up by presenting a "debtor's petition" for bankruptcy, although in this case you would have to pay a deposit of £525 towards the costs of administering your bankruptcy, and a court fee of £175 (which is waived for people on income support and certain other benefits).

Debt relief orders

If you have worrying debts but can't raise the money for a debtor's petition for bankruptcy, then you may want to apply for a debt relief order (DRO). This procedure was introduced in 2009 to help people in England and Wales who owe relatively little money, have little or no disposable income and no assets to repay what they owe, but cannot afford to make themselves bankrupt.

DROs cost £90 and are administered by "authorised intermediaries" (many of whom are advisers in Citizens Advice Bureaux), and the main requirements are that:

- you are unable to pay your debts;
- you owe up to a maximum of £15,000;
- your total gross assets do not exceed £300; &
- after taking away tax, national insurance contributions and normal household expenses, your disposable income is no more than £50 a month.

There is more guidance on DROs in 'Guide to Debt Relief Orders' published by the Insolvency Service which may be downloaded from www.bis.gov.uk/insolvency

In Scotland there is a similar process, Low Income Low Asset (LILA) bankruptcy. See www.aib.gov.uk



But do get independent advice

Petitioning for bankruptcy or a DRO is a serious step - with possible pitfalls depending on your situation - and so it is important that you get good independent advice before going ahead. This could be obtained from a money adviser in a Citizens Advice Bureau or other voluntary organisation, or from a registered insolvency practitioner. You may also want to review the resources mentioned on page 27.

Individual voluntary arrangements

Bankruptcy can sometimes be avoided by entering an individual voluntary arrangement (IVA) with your creditors. This can be any arrangement to pay them part or all of your debts, immediately or over a period of time, provided it is acceptable to over 75% of your creditors (by value of the amounts owed).

Unfortunately, many people facing tax debts are unable to make an IVA because:

- they are unable to raise the fees necessary to pay an insolvency practitioner who is required to supervise the IVA; or
- creditors who are owed 25% of the total debt vote to block the proposals.

Nevertheless, it is worth exploring whether you might be able to propose an IVA which might be acceptable to at least 75% of your creditors. Most insolvency practitioners will be happy to have a short meeting with you - without making any charge - to consider whether this is possible. However, it can be difficult to obtain HMRC's agreement to an IVA and around half the cases submitted to HMRC are likely to be turned down.

Tax Credits and overpayments

We do not seek to explain the enforcement of tax credit overpayments, which involves several different procedures. Do not rely on the information in respect of other tax debt in this booklet.

If HMRC advises that you have been overpaid, there are separate provisions to appeal, or to dispute the overpayment on grounds of HMRC error or delay under Code of Practice 26.

Overpayments are collected in two ways:

- If you are still receiving tax credits under the same award as that in which the overpayment arose, then the overpayment is recovered by reducing your future tax credit payments, usually by 25% (or 10% for those on low incomes). You may ask HMRC to reduce the deduction if it will cause you hardship.
- If the award on which the overpayment arose has ended, then HMRC will contact you to repay the overpayment directly, but the rules and procedures are more generous than for income tax debts. You can get 12 months to repay on request, with much longer periods of up to 10 years or more if needed. If you are on a very low income or on certain benefits, then collection will be suspended and in some cases the debt may be written off. HMRC does not use bankruptcy to recover tax credit overpayments. From 6th April 2012 tax credit overpayments of under £3,000 can be recovered through your PAYE tax code.

The tax credit system is explained on www.taxaid.org.uk in the tax credits section, while HMRC explains its rules for recovery of overpayments at www.hmrc.gov.uk/leaflets/how-hmrc-handle-txcr-opay.pdf

If you need advice contact your local Citizens Advice Bureau.

What to do if you have never declared your income

Some people owe tax, but do not receive demands because the HM Revenue and Customs does not know that they have been receiving taxable income.

This situation is serious, because you may be charged penalties for failing to report your income and, in the most serious cases, there is the risk of prosecution.

You will generally benefit from disclosing the position to HM Revenue and Customs without delay because:

- if you report the situation voluntarily, before HMRC suspects anything, you are unlikely to be prosecuted
- if you disclose your income and cooperate fully with the investigation or enquiry that will follow, this should help to reduce any penalties payable.

It may also help to know that HMRC will often try to reach an agreement with you, regarding your outstanding tax, that reflects your ability to pay.



TaxAidTIP

It is not a good idea to visit a tax office to tell them of your failure to declare your income before you have written. The staff working on the reception desk will not normally be trained to deal with such cases, nor will you have a record of what you have reported, which may be very important later on.

What should you do?

While we would advise you to report your failure to notify to HM Revenue and Customs as soon as possible, it is usually a good idea to seek advice from an accountant or tax adviser first. After reviewing the situation, they may be able to tell you how much tax you have failed to pay, how seriously HMRC will view your situation, and how best to approach HMRC.

If you cannot afford to pay for this advice, TaxAid may be able to help you. For more information, see www.taxaid.org.uk. Then contact **TaxAid's helpline 0345 120 3779** and select option one. Otherwise, find an accountant or tax adviser (see below).

Once you have received this advice, the matter should be reported to HMRC. This may be done by you or the adviser. It should normally be in writing, as it gives the chance to present your case in full, explaining any personal reasons why you failed to declare the income, and to include accounts or summaries which indicate the level of income involved.

This should help to ensure that HMRC responds to you appropriately.



Sources of information and advice

If you need free advice on dealing with your tax or HM Revenue and Customs, see www.taxaid.org.uk. There is also further detailed information on this site in the Advisers section.

HM Revenue and Customs

You may also want to have a look at the following leaflets available free from all tax offices or on the HM Revenue and Customs website www.hmrc.gov.uk/leaflets/C14.htm

- Distraint - what it means for you (EF1);
- The Magistrates Court- What it means for you (EF2);
- Northern Ireland Magistrates' court - What it means for you (EF2 (NI));
- The County Court- what it means for you (EF3);
- The Sheriff Court- what it means to you (EF4) (for Scotland);
- Bankruptcy - what you must do (EFS);
- Bankruptcy in Northern Ireland -what you must do (EFS (NI)); &
- Sequestration in Scotland -what you must do (EFS (Scotland)).



TaxAidTIP

You have important rights as a taxpayer. HM Revenue and Customs has a Charter, under which it promises to treat you fairly and courteously. If you have clear evidence that the person dealing with your case has been harsh, rude or unfair, you may complain and ask for your case to be handled by someone else. For more information see "Your Charter" on the HMRC website at www.hmrc.gov.uk/charter



Other sources of advice

Outside our guidelines for income threshold (£17,000 a year for a single person)? If you appoint a professional accountant or tax adviser to help you with your tax, you should do so with great care. It is not widely understood that absolutely anyone can set up in business offering tax advisory services, even if they have absolutely no qualifications or experience. So if you choose someone at random from the phone book, yellow pages or the internet, you do so at your own risk.

In our experience you are more likely to make a good choice if you appoint someone who meets all, or at least three, of the following criteria:

- they are recommended by someone you know
- they belong to a professional institute which will have required them to take tax examinations, will require that they have professional indemnity insurance and will have a complaints procedure
- they have considerable experience in advising on tax in the areas in which you require help
- you have met them and they seem to be efficient in the way that they work and someone whom you could get along with.

If you need a professional tax adviser, a good place to start would be the:

Chartered Institute of Taxation
www.tax.org.uk • Tel: 020 7340 0550

Institute of Chartered Accountants in England & Wales
www.icaew.com • Tel: 020 7920 8100

Institute of Chartered Accountants of Scotland www.icas.org.uk • Tel: 0131 347 0100

Institute of Chartered Accountants in Ireland www.icaei.ie • Tel: Belfast (from NI) 028 9043 5840

Further information and advice on bankruptcy

There is lots of useful information available from the government's insolvency services and others. Contact details are as follows:

FOR ENGLAND AND WALES:

The Insolvency Service

www.insolvency.gov.uk • Tel: 0845 602 9848
The Insolvency Service publishes a Guide to Bankruptcy. Copies of this and other leaflets are also available by phoning Insolvency Service Publications: 0845 015 0010 or through their website.

The Bankruptcy Advisory Service

www.bankruptcyadvisoryservice.co.uk
This is also a good source of help and information. They can be contacted on 01423 862114. They make a small charge for their services.

FOR SCOTLAND:

The Accountant in Bankruptcy PO

Box 8313, Irvine, KA13 2AA
www.aib.gov.uk • Tel: 0845 762 6171

FOR NORTHERN IRELAND:

The Insolvency Service

Fermanagh House, Ormeau Avenue,
Belfast BT2 8NJ
www.detini.gov.uk!deti-insolvency-index.htm Tel: 028 9025 1441

**TaxAid, Room 304, Linton House
164 - 180 Union Street, London SE1 OLH**

www.taxaid.org.uk

Helpline: 0345 120 3779



In this booklet we describe the law and practice in England and Wales. The legal procedures in Scotland and Northern Ireland are somewhat different, but follow broadly the same approach.

This document can be downloaded from www.taxaid.org.uk

Ask for a copy of this document in larger print or download from **www.taxaid.org.uk**

Printed June 2013



LOTTERY FUNDED



Common Helpline Issues

Claiming a tax refund

Please see the link below for details of how to claim a tax refund if you have stopped work:

<https://www.gov.uk/claim-tax-refund/youve-stopped-work>

Common Helpline Issues

Late Filing Penalties

You can appeal against the penalties you have been charged. This needs to be done in writing. Please find attached Form SA370 which you can use to make the appeal. I also attach guidance notes on how to complete the penalty appeal form and details of what HMRC consider to be a reasonable excuse.

You will see on the Form SA370 that “Late appeals may be accepted if you explain the reason for the extra delay”.

When completing the form, you may wish to include the following points:

- 1) Why the appeal was late;
- 2) Why the tax return was late;
- 3) Any issues which might have made it more difficult for you to comply with your Self Assessment obligations (change of address / lost post / health problems / family issues etc).
- 4) You are currently on a low income and repayment of the penalties will cause financial hardship (assuming this is the case).

I would recommend that you keep a copy of the appeal form and send it to HMRC by registered post along with any supporting evidence (eg a letter from your doctor). The appeal should be sent to:

HMRC
Self Assessment
BX9 1AS

I hope this is helpful. See also <http://taxaid.org.uk/guides/taxpayers/tax-returns/late-filing-penalties-and-appeals> for further information.

If your appeal is rejected and you cannot afford to pay the penalties, you should ask HMRC for Time to Pay (ie ask them to spread repayment over 12 months or possibly longer).

Your reason for making an appeal

In the space below, tell us why you're making an appeal, for example, because you believe you met a deadline or you had a reasonable excuse for missing it. Give as much information as you can, including relevant dates. Where possible provide evidence to support your appeal.



If you need more space continue on a separate sheet of paper and attach this to the back of your appeal.

About you



If you are making this appeal on behalf of someone else, enter the details for that person.

Tax reference

Full name

Enter the reference shown on your penalty notice

National Insurance number (if known)

Address

Postcode

What to do next

- Please make sure you sign and date your appeal.
- Send this form to the HMRC office shown on the front of your penalty notice.

Signature

Your daytime phone number

Date DDMM YYYY

Your name and address – if different to the name and address you have entered above

If you have signed this appeal on behalf of someone else, enter the capacity in which you have done this

For example, agent, executor or personal representative

Postcode

Self Assessment: Penalties for late filing and late payment

Why you have to pay a penalty

You have to pay a penalty because you missed the deadline(s) for sending in your tax return and/or for paying your tax.

What to do if you don't agree with a penalty

If you don't think you need to complete a tax return for this year

If we sent you a tax return or a letter telling you to complete one and you don't think you need to, go to hmrc.gov.uk/yourtaxreturn to check. If you still don't think you should be in Self Assessment then phone us on 0845 900 0444.

If you think you met a deadline or have a reasonable excuse for missing a deadline

You can appeal and if we agree you met the deadline or think you have a reasonable excuse for missing it you won't have to pay the penalty.

Having a reasonable excuse

A reasonable excuse is normally an unexpected or unusual event, beyond your control, that made you miss the deadline. There are no hard and fast rules on what counts – we will look at the facts and information you give us. Examples of excuses we may accept and those we will not are on page 2.

We normally expect you to send in your tax return within 14 days of your reasonable excuse ending. If your reasonable excuse is continuing we will be unable to consider an appeal until you send us your tax return.

How to appeal

You need to complete an appeal form and send it back to us within 30 days of the date shown on your penalty notice. We may accept a late appeal if you explain the reason for the extra delay.

You can complete the appeal form attached or download a form at hmrc.gov.uk/forms/SA370.pdf

Paying the penalty if you appeal

If we do not agree your appeal and you have not paid the penalty you will have to pay interest. Interest is charged on a penalty that is unpaid 30 days after the date on your penalty notice.

What happens if you appeal

After we have looked at the facts and information you give us we will write to you with our decision.

If we agree with your appeal

- We will cancel the penalty and any interest we may have charged on it.
- You will get a Self Assessment Statement shortly after we have done this.

If we do not agree with your appeal

Tax return deadlines

For most people these are:

- 31 October for a paper tax return
- 31 January for an online tax return.

Penalties for sending your tax return late

If your tax return is late you have to pay a penalty. The more you delay the greater the penalty.

- 1 day late – you will have to pay a £100 penalty.
- 3 months late – you will have to pay a daily penalty of £10 a day, for a maximum of 90 days (£900).
- 6 months late – you will have to pay a further penalty of 5% of the tax due or £300, whichever is greater.
- 12 months late – you will have to pay a further penalty of 5% of the tax due or £300, whichever is greater.
In serious cases you may be asked to pay up to 100% of the tax due instead.

These penalties are in addition to any penalties for paying your tax late (see page 2).

If you send us a paper tax return you may have to pay more penalties because the deadline for a paper tax return is usually three months earlier than the online filing deadline.

Example

For a tax return that was issued in April and received on 21 February.

If you send a paper tax return you will get two penalties costing you £310. This is £100 for missing the 31 October deadline and daily penalties of £210 (21 days at £10).

If you send an online tax return you will only get one penalty costing you £100.

- We will tell you why and ask if you accept our decision.
- If you haven't already done so you should pay the penalty and any interest charges.

If you do not agree with our decision

You can disagree with our decision and take your appeal further by:

- asking for it to be reviewed again by someone else in HM Revenue & Customs (HMRC)
- making an appeal to an independent tribunal.

Go to hmrc.gov.uk/sa/appeals-decisions.htm for more information.

Reasonable excuse examples

What we may accept as a reasonable excuse

- HMRC Online Services would not accept the tax return – you'll need to provide the error message you received and the date you tried to send it.
- You did not receive the tax return or letter telling you to complete a tax return – we usually know if you did not because it is sent back undelivered.
- Bereavement – the death of a close relative or domestic partner shortly before the deadline.
- Serious or life-threatening illness, for example, a major heart attack or a serious mental illness that prevents you dealing with your tax affairs.
- You did not receive your online Activation Code, User ID or password in time to send your tax return by the deadline – as long as you tried to get them before the deadline and once you received them you sent your tax return as soon as you could.
- Your tax return or cheque was lost or delayed in the post. You must have posted it in good time to meet the deadline.
- Loss of tax records, through theft, fire or flood, that cannot be replaced in time to meet the deadline.
- Your cheque was dishonoured because of an error by your bank.

What we will not accept as a reasonable excuse

- Tax return too difficult to complete.
- Pressure of work.
- It was your agent's or tax adviser's fault that you missed the deadline.
- Lack of information available.
- We did not remind you about the tax return and payment deadlines.
- You want to replace the paper tax return you have already sent with an online tax return to reduce your penalties.
- Unable to send a certain tax return or supplementary pages online as there was no free HMRC software.
- Your cheque was dishonoured due to a shortage of funds or made out incorrectly.

For more information about reasonable excuse go to hmrc.gov.uk/sa/appeals-decisions.htm

More help

- Go to hmrc.gov.uk/sa/appeals-decisions.htm
- Phone the Self Assessment Helpline on 0845 900 0444.
- Write to the HMRC office shown on the front of your penalty notice.
If you don't have this, write to HM Revenue & Customs, Self Assessment,
PO Box 4000, CARDIFF, CF14 8HR

If you contact us by phone or in writing you will need to tell us your 10-digit Unique Taxpayer Reference (UTR). You'll find this on letters or forms we send you about your tax return.

Payment deadlines

You must pay the balance of any tax you owe by the 31 January following the end of the tax year.

For example, for tax year 2010–11 (ending 5 April 2011) you must pay any tax you owe by 31 January 2012.

When you don't pay the tax you owe on time you may have to pay a penalty. You will also have to pay interest on anything you owe and haven't paid, including penalties.

Penalties for paying your tax late

The more you delay the greater the penalty.

- 30 days late – you will pay 5% of the tax you owe at that date
- 6 months late – you will pay a further penalty of 5% of the tax you owe at that date.
- 12 months late – you will pay a further penalty of 5% of the tax you owe at that date.

These penalties are in addition to any penalties for sending your tax return late (see page 1).

For more information on deadlines and penalties go to hmrc.gov.uk/sa/deadlines-penalties.htm

Your rights and obligations

Your Charter explains what you can expect from us and what we expect from you. For more information go to hmrc.gov.uk/charter

These notes are for guidance only and reflect the position at the time of writing. They do not affect any right of appeal.

HMRC Digital Service
February 2013 © Crown copyright 2013

HMRC 02/13

SAM10090 Appeals, postponements and reviews: appeals: reasonable excuse

As explained in [SAM61290](#), a customer can appeal against any late filing penalty on the grounds that they had a reasonable excuse for the late submission of the return, and against a late payment penalty, or a surcharge (for tax years 200910 and earlier), on the basis that they had a reasonable excuse for late payment.

For a late filing penalty, you should consider whether the customer had a reasonable excuse at the date the relevant penalty arose. For example, if you have an appeal against a daily penalty assessment, consider whether the customer had a reasonable excuse at the time the daily penalties first became payable. Also consider if at any time during the period of daily penalties, the customer has provided facts which show they had a reasonable excuse for any part of the period.

A late payment penalty is not imposed until the balancing or final payment for the year is more than 30 days overdue. Therefore, even if there were problems on or around the due date, the customer should have been able to make arrangements to pay before the trigger date for the first late payment penalty (see [SAM61380](#)).

Surcharge (for tax years 200910 and earlier) is not imposed until the balancing or final payment for the year is more than 28 days overdue. Therefore, even if there were problems on or around the due date, the taxpayer should have been able to make arrangements to pay before the surcharge date.

There is no definition in law of 'reasonable excuse'. Any reasonable excuse will be based on all the facts and circumstances of the specific case but the law does specify two situations that are **not** reasonable excuse:

1) A shortage of funds and 2) Reliance on another person.

A reasonable excuse is normally an unexpected or unusual event, either unforeseeable or beyond the customer's control, which prevents him from complying with an obligation when he would otherwise have done. A combination of unexpected and unforeseeable events may, when viewed together, be a reasonable excuse. Once a reasonable excuse has ended, the customer must submit the outstanding return or make payment without unreasonable delay. As a guide, 'unreasonable delay' would be within 14 days, unless another time limit applies. Each case needs to be determined in the light of all the particular circumstances of the individual case. Further guidance on reasonable excuse can be found in the Compliance Handbook (CH155600).

You must consider each case by reference to the particular circumstances in which the failure occurred and the abilities of the customer. What is a reasonable excuse for one person's circumstances and abilities may not be a reasonable excuse for another person.

You should not agree reasonable excuse where the customer was able to manage the rest of his business and personal affairs and pay other bills during that period. It is not possible to give a comprehensive list of what might be a reasonable excuse. However, the following examples identify circumstances where you might agree reasonable excuse and circumstances where you should not agree reasonable excuse.

[Examples of what you might agree as grounds of reasonable excuse](#) [Examples of what you should not agree as grounds of reasonable excuse](#) [Reasonable excuse for late partnership returns](#)
[Disability](#)
[Applying reasonable excuse at the date penalty arose \(for tax years 201011 onwards\)](#)

Examples of what you might agree as grounds of reasonable excuse

Note: These examples are not model answers, nor are they to be viewed as the 'correct' response in situations that appear similar. Each reasonable excuse case is unique and must be considered on its own facts.

The customer did not receive the return

The guidance at [SAM120040](#) 'Issuing returns other than at bulk issue' refers to the action that should have been taken when first notified that a return has not been received, particularly the action described under the heading 'Late issue/Reissue of returns'. You should review this guidance and satisfy yourself that the customer did not receive the return, for example it has been sent back as undelivered or the completed return was lost or delayed in the post.

The return was lost in the post or delayed when the customer sent it back

The customer is expected to allow sufficient time for the return to reach you. However if the return was posted in good time and an unforeseen event occurred which disrupted the normal post service and led to loss or delay of the return, for example fire or flood at the Post Office where the return was handled or prolonged industrial action by the Post Office, it would be considered reasonable excuse. Or, if the customer is able to provide a certificate of posting which shows that the return was posted in good time and that there was a delay in delivery to us.

This may not apply in cases where it is not the first time that the customer has claimed not to have received a return. See further guidance below under the heading 'Repeated claims that the customer did not receive the return'.

For further information regarding reasonable excuse in these circumstances, see subject 'Claims for reasonable excuse' ([SAM120550](#)).

An extended period of exceptionally severe weather very close to the filing deadline

For example, this may prevent a taxpayer, who has taken appropriate steps to ensure their return is completed and submitted by the deadline, from giving written authority to their agent to finalise and submit the return on their behalf, so the taxpayer no longer has the time, or opportunity, to make an alternative arrangement.

You may agree extreme weather conditions prevented the taxpayer from filing their return on time.

Delay caused by HMRC review of the need to complete a return

The customer may claim a reasonable excuse for failure to file, or pay, on time because they had contacted us previously to advise they no longer needed to complete a return and, after HMRC review, were advised that they still needed to do so. Each case must be considered on its own merits since if the delay was caused by the customer failing to contact us to discuss his situation for some considerable time after the notice to file was issued, the delay cannot be attributable to our delay.

However, if the customer contacted us and the delay was caused by us taking an unreasonable amount of time to advise that a return is still required, taking into account all of the circumstances of the case, reasonable excuse may apply to the period from initial contact to the date we advised that we still wanted the return, and only then if the return was filed without delay.

Loss of tax records

You should normally agree as a reasonable excuse loss of records through fire, flood or theft, although you should be satisfied that the information for completion of the return could not be replaced in time for the customer to complete the return by the due date.

Serious illness

The illness must be so serious that it prevented the customer from controlling his business affairs

immediately before the deadline and from that date to the time the completed return is received. Coma, heart attack, stroke or any other serious or life threatening illness constitutes a reasonable excuse.

Where the illness involves a lengthy stay in hospital or convalescence the customer should normally have made arrangements for completing and sending in the tax return on time. There may however be circumstances where this was not possible.

The serious illness of a close relative or domestic partner should only be accepted if the situation took up a great deal of the customer's time and attention during the period from the filing date to the date the return is received.

Bereavement

The death of a close relative or domestic partner shortly before the filing date should be treated as a reasonable excuse, as long as steps had already been taken to complete the return on time.

Members of Armed Forces on active service overseas

Accept reasonable excuse claims from members of the armed forces on active service overseas who are unable to file by the deadline.

Duplicate return

Where the customer states the return was sent in under a different UTR, and the record confirms this, accept as a reasonable excuse.

HMRC Online Service does not accept the return

Accept as a reasonable excuse if a paper return is filed after the filing date because

- ○ The customer or agent was unable to file using SA Online

And

- ○ Provides either the error message or details of the error message

Together with

- ○ The date they tried to file the return online and realised that it could not be filed online

HMRC does not want to penalise customers who have made a genuine attempt to file online before the deadline. You should therefore consider sympathetically on its merits a reasonable excuse claim without details of the appropriate error message.

Do not accept under this heading a claim that the failure to file on time was caused by the lack of free HMRC software (see below under 'Examples of what you should not agree as a reasonable excuse').

Delayed receipt of online activation codes (PINs)

Accept as a reasonable excuse if the customer registered to use the online service before the filing date but did not receive their activation PIN in time to file by the deadline, provided that they filed online as soon as possible once they received their activation PIN.

Delayed receipt of a replacement ID, new password or replacement activation code

Accept as reasonable excuse if the customer applied for a replacement User ID, password or activation code before the deadline, and filed their return without delay once they received the missing details. If application for this information was made after the deadline, reasonable excuse is not acceptable. **(This text has been withheld because of exemptions in the Freedom of Information Act 2000)**

(This text has been withheld because of exemptions in the Freedom of Information Act 2000)

Payment lost in the post

Where a claim that the payment has been lost in the post or lost by HMRC is made you should ask the customer to produce evidence that an attempt to pay by the due date was made. If there was a fire or flood at the Post Office where the cheque was handled this should be classed as a reasonable excuse. However, you should also consider how soon payment was made once the customer became aware that the original cheque had been lost. The customer should have taken prompt steps to send a replacement.

Payment dishonoured

If the payment was dishonoured solely because of an error by the bank, you should accept this as a reasonable excuse. However the customer would be expected to have acted promptly in sending a replacement on becoming aware of the error.

[Top of page](#)

Examples of what you should not agree as grounds of reasonable excuse

Tax return too difficult

The customer should have taken early steps to contact HMRC or a tax adviser for assistance in order to complete the return by the due date.

Tax return not sent in

Non submission of the return should not in itself be treated as a reasonable excuse. The same event that prevented the taxpayer from paying on time may however have also prevented the tax return from being filed on time. Each case should be considered on its own facts.

Repeated claims that the customer did not receive the return

Reasonable excuse might not apply in cases where the customer has claimed on more than one occasion that he did not receive the return. SA Notes will show if the customer has claimed this as a reasonable excuse before. In these cases you must check the record for a change of address, or if a return has been received back as RLS for the year involved. If no evidence is found you should assume that the return was delivered and not accept the customer has a reasonable excuse. You must include these facts in any submission to the tribunal.

Pressure of work

The time given for completion of a return is considered to be sufficient to allow the customer to arrange his affairs to ensure that the return is completed by the due date and that payment is made on time.

Failure by tax agent

Failure by agent would not normally be treated as a reasonable excuse. It is the responsibility of the customer to ensure that his return is completed and delivered on time and that payment is made on time.

Lack of information

Where the customer is unable to obtain all the information needed to complete the return, the guidance issued with the return states that estimated information and an explanation in the additional information space should be submitted.

Not knowing how much to pay

This is not a reasonable excuse. The customer should submit his tax return in sufficient time to allow for a calculation or statement of account to be issued before the due date. The tax return guidance tells the customer that where a statement of account is not received an estimate of the amount due should be paid.

Shortage of funds

The taxpayer is expected to have kept money aside to pay his tax bill when it is due. The legislation states that not having the money to pay is not a reasonable excuse.

Cheque made out incorrectly

It is the taxpayer's responsibility to make sure that the cheque is made out correctly.

Absence of HMRC reminders

Normally reminders are issued before the return due date but lack of receipt of a reminder should not be treated as a reasonable excuse. The tax return itself shows the due date and it is the customer's responsibility to ensure that the return is received by that date. Likewise, the tax return guidance shows the due date for payment and it is the customer's responsibility to pay on time.

Lack of free HMRC software

HMRC is not obliged to provide free software to enable customers to file their returns online. Free HMRC software only covers the personal tax return and certain supplementary pages.

Customers who need to complete other supplementary pages or who file other returns online, for example the Trust and Estates Tax Return or the Partnership Tax Return, need to use commercial software.

Do not accept as a reasonable excuse any claim that the customer failed to file on time because HMRC did not make available free software appropriate to their circumstances.

[Top of page](#)

Reasonable excuse for late partnership returns

The nominated partner is responsible for sending HMRC the partnership return. If the return is not sent to HMRC on time, the nominated partner may have a reasonable excuse for the return being late. The circumstances of the other partners are not normally relevant but you should consider the facts of each case on its own merits.

Where a nominated partner dies before submitting the return, the personal representative of the deceased is not responsible for submitting the return because they do not become a partner of the partnership in place of the deceased. The personal representatives responsibility extends only to the tax payments due from the deceased.

[Top of page](#)

Disability

Ordinarily, the existence of a disability will not, on its own, present a barrier to customers in meeting their tax obligations. However if a customer claims that they have not been able to comply with a tax requirement because of a disability, you should fully consider how the effects of any disabling condition could have prevented them from complying with that obligation.

Every failure should be considered on its own facts. We would not usually accept the same reasonable excuse on more than one occasion. This is because we would expect any customer who knows he will find it difficult to meet a requirement because of an existing disability, to make every reasonable effort to anticipate this and make alternative arrangements. If a customer is subject to an irregularly fluctuating condition which they know might recur, you should consider whether or not there are reasonable contingency measures they could plan in the event their condition recurs, to try to ensure they comply with their obligations.

The following scenarios are examples used to help you understand the factors to consider when making a decision about reasonable excuse.

Scenario 1

Mr A is blind. He is unable to use the HMRC website and so decides to submit his SA return on paper. He asks an agent to compile and submit the return for him, but, before the filing date, the agent is taken ill. He returns the paperwork to Mr A shortly before the filing date, but as he is blind, Mr A is unable to complete the return himself and has no opportunity to make alternative arrangements

before the filing date. He immediately arranges for another person to complete and submit his return by 14 November.

He receives a £100 filing penalty but it is cancelled on appeal because we accept that he had a reasonable excuse for missing the deadline date and had remedied the failure without delay.

We would not accept that every blind person who fails to submit his return by the due date has a reasonable excuse. In this case, the customer had taken steps to comply with his obligation but circumstances outside his control left it too late for him to make alternative arrangements and his disability prevented him from doing it himself.

Scenario 2

Mr X is an unrepresented self employed builder without any family. He is diagnosed with a post-traumatic stress disorder in July 2011. He has to stop working and is incapable of taking any decisions. He is therefore unable to complete his returns and calculate the tax due for 201011 on 31 January 2012 or to appoint an agent. Following treatment, he is able to return to work in May 2012. He completes his tax return in May and pays the remaining tax due shortly thereafter.

Having received medical evidence of his condition, we accept that the customer has a reasonable excuse. No penalties are due as he fulfils his tax obligations after the excuse has ceased.

[Top of page](#)

Applying reasonable excuse at the date penalty arose (for tax years 2010 11 onwards)

A customer who does not have a reasonable excuse for failing to submit their return by the filing date will have to pay the initial fixed £100 late filing penalty unless (exceptionally) they are eligible for 'special reduction'. However, the same customer may have a reasonable excuse for not submitting the return by the date that a subsequent penalty arises. Circumstances including serious illness, bereavement, disruption to the postal service and issues with HMRC Online Service may prevent the customer from filing their return in time to avoid a later penalty.

Example 1

Ms B did not have a reasonable excuse for failing to file her 201011 return by 31 January 2012 and has paid the £100 fixed penalty. She received a 30 day daily penalty warning letter on 11 June 2012 and she registered to use the online service on 12 June. She received her activation PIN on 19 June and filed her return online on 22 June. You can accept that Ms B had a reasonable excuse which she remedied without unreasonable delay so daily penalties should not be charged for the period 12 June to 22 June. (Daily penalties are still chargeable for the period 1 May to 11 June).

Example 2

Mr Y did not have a reasonable excuse for failing to file his 201011 return by 31 January 2012 and has been charged the fixed penalty, daily penalties and the first taxgeared late filing penalty. It is now December 2012 and his return is 11 months late. He engages an accountant to prepare his return so he can submit an online return before the 12 month taxgeared penalty applies on 1 February 2013. He has an appointment with his accountant to sign off his return on 29 January. However, on the day of the appointment his wife is taken seriously ill and is rushed to hospital. He has to cancel the appointment and is unable to authorise his accountant to submit the return until early February. You can accept that Mr Y had a reasonable excuse which he remedied without unreasonable delay and that the 12 month taxgeared penalty does not arise.

[Top of page](#)

Special reduction (for tax years 201011 onwards)

HMRC has discretion to reduce a penalty because of special circumstances. This discretion can only be considered if there was no reasonable excuse for the failure to file on time. You must consider 'special reduction' if you decide not to allow the appeal. For guidance on special reduction, see CH170000.

Common Helpline Issues

Foster/Qualifying Carers

All QCs are now required to register as self-employed and complete SATRs even where there is no tax liability.

If QCs have unreported income for earlier years, advise them to register by phone (0300 200 3504) or by completing CWF-1 and indicate that although they have been carers for some time, they would like HMRC to register them from 6/4/15 only as income has been below limit.

Signpost to online help package for foster carers at :

www.hmrc.gov.uk/courses/syob/fc/HTML/fc_101.html

Common Helpline Issues

Marriage Allowance

In many cases, callers re this will be THOP clients and so can be handed off.

Can be backdated 4 years (but not before start date – 6/4/15)

Signpost callers to online application form on HMRC website or they can call general HMRC number.

Common Helpline Issues

Personal Tax Account

Registering to access your Personal Tax Account (PTA)

If you require more help at any stage, please contact 01308 488066 or 0845 601 3321.

Your PTA is an online service provided by HM Revenue & Customs (HMRC) to allow you to manage your personal tax affairs. Your PTA is a way to view and manage your tax affairs in one secure place. There are a range of services available with more being added all the time. You can use your personal tax account to:

- check your Income Tax estimate and tax code
- fill in, send and view a personal tax return
- claim a tax refund
- check and manage your tax credits
- check your State Pension
- track tax forms that you've submitted online
- check or update your Marriage Allowance
- tell HMRC about a change of address
- check or update benefits you get from work, for example company car details and medical insurance

Before you can get into your Personal Tax Account you need to register via the Government Gateway.

Before you start, find your:

- a. National Insurance number
- b. Mobile phone or landline number
- c. Email address

You will also need to prove your identity using one of the following, so make sure you have **one** of these to hand before you start:

- d. Your bank account details
- e. Your P60
- f. Your 3 most recent payslips
- g. Your passport – your name, number and expiry date

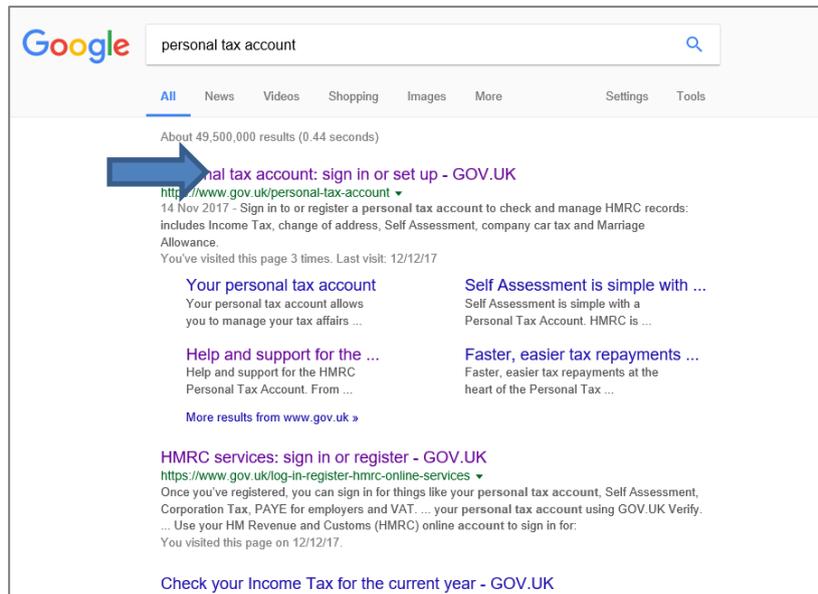
It is also a good idea to have a pen and paper handy as you will be given two sets of numbers to write down.

PLEASE NOTE: The first time you access your Personal Tax Account, you may be asked additional questions based on information provided by a credit reference agency. These questions are designed to help more customers access their account in the event you do not have the required HMRC information or a UK passport.

These questions will be specific to your circumstances, so unfortunately we can't fully replicate them in this guide. They will be multiple choice questions and could be to do with mortgages, loans, bank accounts, phone contracts, known addresses etc. An example of what you might see is included in this guide at step 23.

Here are the steps to help you access your PTA:

1. Switch on your computer, go to the internet and enter 'Personal Tax Account' into your search bar, most people use Google, Bing or Yahoo for searching.
2. Click on [Personal tax account: sign in or set up - GOV.UK](https://www.gov.uk/personal-tax-account) which should be at or near the top of the list of sites:



3. This will take you to the 'sign in or set up' page:

To continue, click on the green button 'Start now'

4. You will see three options on the next screen. If you have set up your Government Gateway access before, select the top option, then click on the green 'Continue' button and you'll be taken to step 6.

If you are new to the website and haven't previously set up an account, select 'create an account' and then, click on the green 'Continue' button

Personal tax account: sign in or set up

Use your personal tax account to check your records and manage your details with HM Revenue and Customs (HMRC).

This service is also available [in Welsh \(Cymraeg\)](#).

Start now >

What you need to know

You can use your personal tax account to:

- check your Income Tax estimate and tax code
- fill in, send and view a personal tax return
- claim a tax refund
- check and manage your tax credits
- check your State Pension
- track tax forms that you've submitted online
- check or update your Marriage Allowance
- tell HMRC about a change of address
- check or update benefits you get from work, for example company car details and medical insurance

More services will be added in the future.

Last updated: 16 March 2018

GOV.UK Search

◀ Back

Prove your identity to continue

Use Government Gateway
You'll have a user ID if you've signed up to do things like file your Self Assessment tax return online.

Use GOV.UK Verify
You'll have an account if you've already proved your identity with either Barclays, CitizenSafe, Digidentity, Experian, Post Office, Royal Mail or Secureidentity.

or

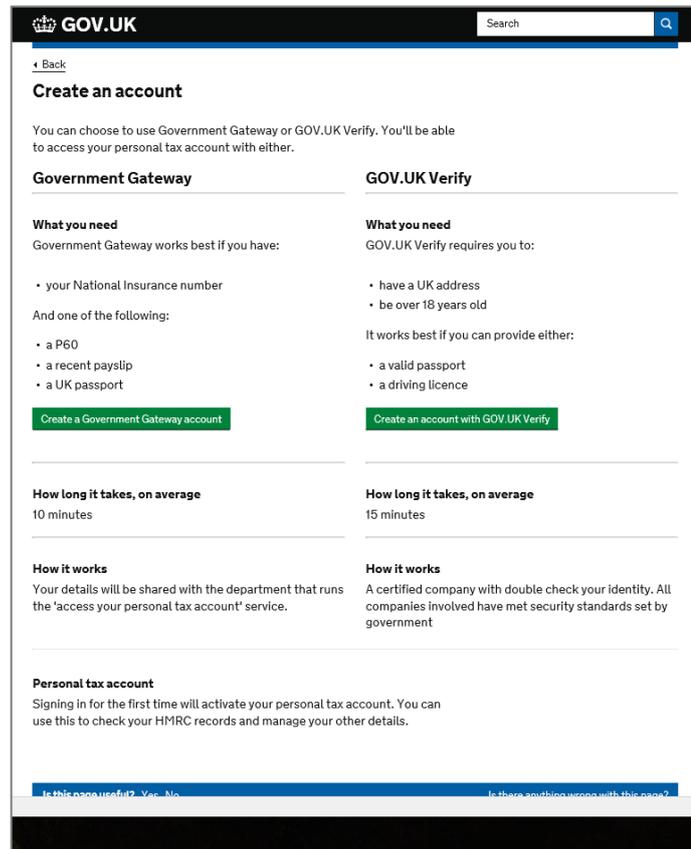
Create an account

Continue

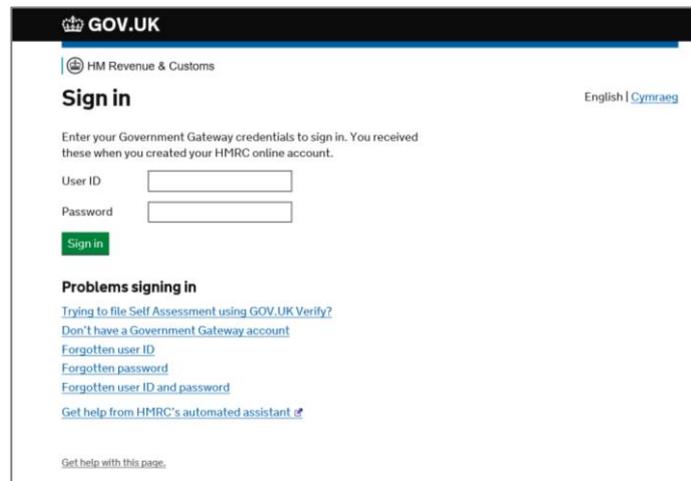
Is this page useful? Yes No Is there anything wrong with this page?

Services and information Departments and policy

5. On this screen you have two ways to create an account. This guide takes you through the first option – the Government Gateway – which is a bit quicker than the second option. Click on the green **‘Create a Government Gateway account’** button



6. If you have previously used any HMRC services online and have a Government Gateway account already, please put in your twelve-digit User ID and Password and click on the green **‘sign in’** button. You can then skip to step 11.



7. If you do not have a Government Gateway account, the next steps show you how you can set one up. You only need to do this once and the next time you access your PTA you will use the 'user ID' you are given and the 'password' you create along with a code that will be sent to your phone, but more on that later.

Click on [Don't have a Government Gateway account](#)

8. On the next screen you *may* be asked if you are trying to file your Self-Assessment tax return. Select No and then click the green 'continue' box. (This is a temporary screen and may not appear every time).

9. On the next screen, enter your full name in the first box and your email address in the second one. You are then asked in the next two boxes to make up a password following the guidance (in grey text) and to confirm it. When done click the green 'continue' box.

GOV.UK
HM Revenue & Customs
English | Cymraeg

Sign in

Enter your Government Gateway credentials to sign in. You received these when you created your HMRC online account.

User ID

Password

[Sign in](#)

Problems signing in

[Trying to file Self Assessment using GOV.UK V...](#)

[Don't have a Government Gateway account](#)

[Forgotten user ID](#)

[Forgotten password](#)

[Forgotten user ID and password](#)

[Get help from HMRC's automated assistant](#)

[Get help with this page.](#)

GOV.UK
HM Revenue & Customs

Are you trying to file your Self Assessment tax return?

Yes

No

[Continue](#)

Enter your details

Full name

Email address
We need this so we can send you your sign in details if you lose them

Create your password
Your password must:

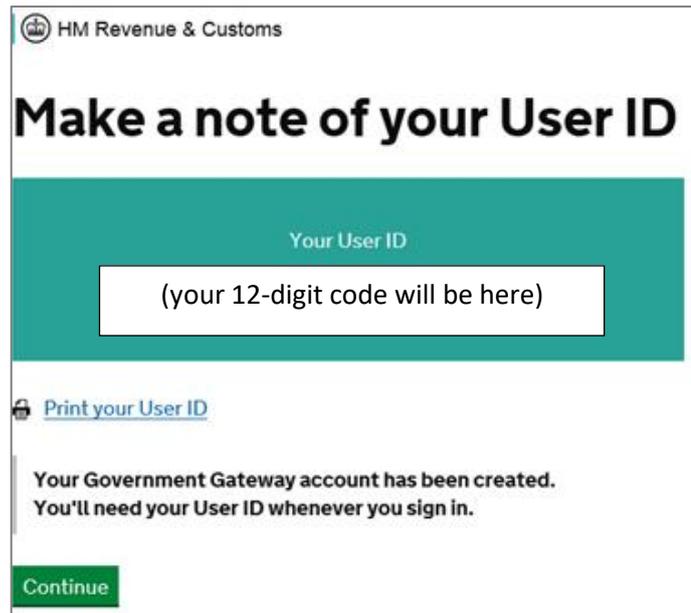
- be between 8 and 12 characters (letters and numbers only, no special characters)
- contain at least one letter (a-z)
- contain at least one number (0-9)
- not contain the word 'password'

Confirm your password

[Continue](#)

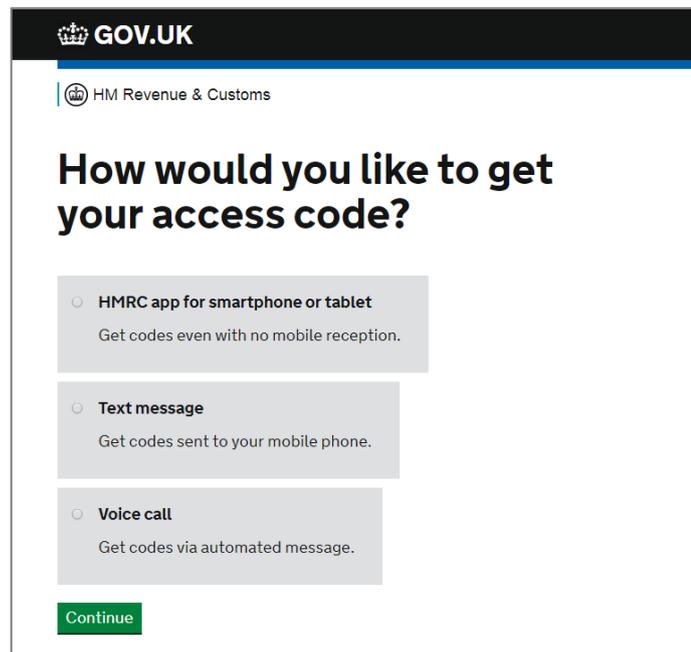
[Get help with this page.](#)

10. You will be given a user ID which is a 12-digit number. At this point, it is a good idea to write down your user ID and the password you created in the previous step somewhere safe, because you will need them each time you access your account in the future. The User ID will also be emailed to you. When ready, click the green **'continue'** box.



11. You'll get a screen letting you know you will need a 6-digit access code. This is for your security. Click the green **'continue'** box to continue.

12. On the next screen, you can choose how you receive your access code. You can select to receive your code by having a text sent to your mobile phone or from an automated voice call on your landline telephone. Make your selection and click the green **'continue'** box.



13. Select 'Yes' if your number is a UK number and click 'No' and enter the country if not. Then enter your preferred phone number. If it is a UK number, the international code +44 will appear and you just need to leave off the first zero from the beginning of your phone number (for example 01234 567891 becomes +44 1234 567891). This applies both for landlines and mobiles.

The screenshot shows the 'Enter your mobile phone number' form. At the top, it says 'GOV.UK' and 'HM Revenue & Customs'. The main heading is 'Enter your mobile phone number'. Below this, it says 'We'll send an access code to this number by text message.' There is a question 'Is this a UK phone number?' with two radio buttons: 'Yes' and 'No'. Below that is a section for 'Mobile phone number' with a text input field and a green button labeled 'Send my access code'. At the bottom, there is a link: 'Choose a different way to get access codes.'

The screenshot shows the 'Enter your landline phone number' form. At the top, it says 'GOV.UK' and 'HM Revenue & Customs'. The main heading is 'Enter your landline phone number'. Below this, it says 'We'll call this number with an access code.' There is a question 'Is this a UK phone number?' with two radio buttons: 'Yes' and 'No'. Below that is a section for 'Landline phone number' with a text input field and a green button labeled 'Call my landline'. At the bottom, there is a link: 'Choose a different way to get access codes.'

14. If you have chosen to use a mobile phone number you will receive a 6-digit code by text message, so click the green 'Send my access code' when ready. If using a landline number, you will be phoned with a voice message, so make sure you have a pen and paper handy to note the number down. When you are ready, click on the 'Call my landline' button.

15. Your code will be sent to your chosen phone number. If it doesn't arrive in a minute or so you may need to check with your telephone service provider that the number isn't blocked. When it arrives enter the code into the box on the screen. Click on the green 'continue' button.

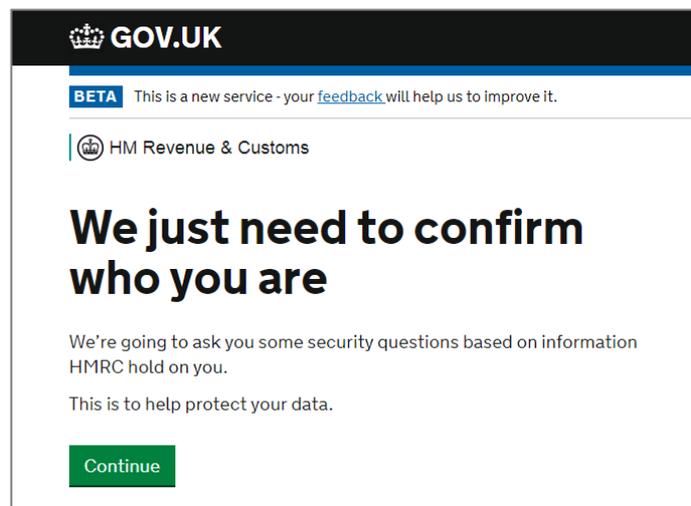
The screenshot shows the 'Enter your access code' form. At the top, it says 'GOV.UK' and 'HM Revenue & Customs'. The main heading is 'Enter your access code'. Below this, it says 'We just sent a 6 digit access code by text to (Your mobile number) It may take a few minutes to arrive.' There is a section for 'Access code' with a text input field. Below that is a checkbox labeled 'Remember this access code for 7 days' which is checked. At the bottom, there is a green button labeled 'Continue' and a link: 'I didn't receive an access code'.

16. You'll then get a screen confirming that you have set up the security for your account. If you received your code by text on your mobile, the screen will look like this:



17. Click the green 'continue' box and you will be given the option to set up a 'backup' security option, where you would be take through steps 12-15 again to set up a second way to receive your access code (so if you chose landline call the first time, you could choose mobile text for the second 'back up' option). It is up to you if you wish to do this, or else click on the ['I can't do this right now'](#) to continue.

18. You now need to confirm who you are. You should only have to do this the first time you access your account. Click the green 'continue' box



19. Enter your first name, last name, National Insurance number and date of birth in the boxes provided. Click on the green 'continue' button.

HM Revenue & Customs

Confirm your identity

Enter your details

This is to help us confirm who you are, so we know what questions to ask you.

First name

Last name

National Insurance number

It's on your National Insurance card, benefit letter, payslip or P60.
For example, QQ123456C

Date of birth

For example, 31 3 1980

Day Month Year

[Continue](#)

[Get help with this page.](#)

20. You will be given a choice of documents you want to answer questions about: Payslips, UK Passport or P60. Choose which is easiest for you then click on the green 'continue' button.

HM Revenue & Customs

Confirm your identity

Choose a way for us to identify you

We'll ask you some security questions that relate to you:

Payslips

UK Passport

P60

[Continue](#)

21. If you chose 'payslips' (for example), it might ask you what tax has been taken or what your National Insurance contribution was:

HM Revenue & Customs

Confirm your Identity | Question 1 of 2

Your tax

How much tax is shown in the 'Deductions' section on one of your recent payslips? This is labelled as PAYE or Income Tax. Do not use the 'year to date' figure.

Enter the exact amount, including pence. For example 190.00

[Where to find your tax on your payslip](#)

[Continue](#)

[I don't have that information](#)

HM Revenue & Customs

Confirm your Identity | Question 2 of 2

Your National Insurance payments

How much National Insurance is shown in the 'Deductions' section on one of your recent payslips? Do not use the 'year to date' figure.

Enter the exact amount, including pence. For example 139.40

[Where to find how much National Insurance you paid](#)

[Continue](#)

[I don't have that information](#)

22. Or if you chose 'UK Passport', it would ask you for your passport number, name and expiry date.

IMPORTANT: you will need to type in your name exactly as it appears in your passport, not how you may want to be known. For example, you may usually call yourself Fred Bloggs, but if your passport has you as Joe Fred Bloggs, then please use the name as it is in your passport.

23. If you DO NOT have a UK passport, you may be asked some additional questions to help HMRC identify you.

The questions can relate to information on your mortgages, loans, bank accounts, phone contracts, known addresses etc. These questions will be specific to you, but an example of a typical question is shown here:

Your UK passport

Enter your details **exactly** as they appear on your passport.

[▶ Where to find these details on your passport](#)

Passport number
Your passport number contains up to 9 numbers and no letters.

Surname
Exactly as it appears on your passport.

Given names
Enter all given names, as they appear on your passport.

Expiry date of your passport
For example, 31 MAR 2026
Day Month Year

[I don't have that information](#)

Confirm your identity

When did you last open a personal current account?

Less than 2 years ago

Between 2 and 4 years ago

Between 4 and 6 years ago

More than 6 years ago

[I don't have that information](#)

24. Once you've entered your details and clicked on the green '**continue**' button, you should get a message saying 'We've confirmed your identity' and you can click on the green '**continue**' button.

25. If you haven't been able to answer the questions, or HMRC doesn't hold enough information to be able to identify you, it may be that the online Personal Tax Account isn't available to you. If you have a tax matter that you need to discuss with HMRC, there are phone numbers at the back of this guide that you can call instead.

26. Finally, you will be asked if you want to receive electronic communications (emails) instead of letters from HMRC. It is **IMPORTANT TO NOTE** that if you select 'yes' but later change your mind, only you can change this back (not HMRC) and it must be changed within your Personal Tax Account. If there is any chance you may not have access to emails or a computer in the future, we advise that you select 'No'. Please also see the note at the end of this guide regarding emails from HMRC.

 HM Revenue & Customs

Go paperless with HMRC

You can choose to get electronic communications instead of letters from HMRC.

These electronic communications include statutory notices, decisions, estimates and reminders relating to your tax affairs, such as notices to file a tax return, make a payment, penalties due, or information about other matters.

When you have a new electronic communication we will send you an email notification requiring you to log in to your HMRC online account.

Go paperless now

Yes, send me electronic communications

No, I want to keep receiving letters

[Continue](#)

27. Congratulations, you have finished! The 'menu page' in your PTA will look something like this (each person's PTA will be slightly different):

Income

Pay As You Earn (PAYE)

Your income from employers and private pensions that is taxed before it is paid to you.

[View your Income Tax estimate](#)

[Check how much tax you paid last year](#)

[Understand your tax code](#)

Self Assessment

You cannot use this service. You may not be enrolled for Self Assessment, or you may have enrolled using a different account.

[Find out how to access Self Assessment](#)

National Insurance

You have a National Insurance number to make sure your National Insurance contributions and tax are recorded against your name only.

[Print your National Insurance number](#)

[View gaps in your record](#)

Benefits

Tax credits

View your next payments and the people on your claim, and make changes to your claim.

[View your tax credits payments](#)

Child Benefit

A tax-free payment to help parents with the cost of bringing up children.

[Tell us if your child is staying in full-time education](#)

Marriage Allowance

You currently transfer part of your Personal Allowance to your partner.

[Manage your Marriage Allowance](#)

You can now go into different areas such National Insurance or tax credits to check and update your details.

Please remember to keep your 12-digit User ID and password safe. The next time you want to access your PTA, you will just need this User ID and password and if you need one, you'll be sent a 6-digit access code using your chosen method (mobile, landline or via the HMRC phone app).

If you have a query you can contact HMRC direct on **0300 200 3600** or give us a call on: **01308 488 066**
Weekdays 9am-5pm

Useful HMRC phone numbers:

Service	Telephone	Textphone	Outside the UK
HMRC online services Get help with problems signing in You can also check service availability and see if there are any problems with our online services (including error messages).	0300 200 3600	0300 200 3603	+44 161 930 8445
Self Assessment	0300 200 3310	0300 200 3319	+44 161 931 9070
Tax credits	0345 300 3900	0345 300 3909	+44 2890 538 192
Income Tax	0300 200 3300	0300 200 3319	+44 135 535 9022
National Insurance	0300 200 3500	0300 200 3519	+ 44 191 203 7010

Regarding emails or texts from HMRC:

There are scam emails and texts circulating that claim to be from HMRC. Do not give out private information (such as bank details or passwords), reply to text messages, download attachments or click on any links in emails if you're not sure they're 100% genuine.

Emails and texts from HMRC will never:

- notify you of a tax rebate
- offer you a repayment
- ask you to disclose personal information such as your full address, postcode, Unique Taxpayer Reference or details of your bank account
- give a non HMRC personal email address to send a response to
- ask for financial information such as specific figures or tax computations, unless you've given us prior consent and you've formally accepted the risks
- have attachments, unless you've given prior consent and you've formally accepted the risks
- provide a link to a secure log in page or a form asking for information - we'll ask you to log on to your online account to check for information instead

You can forward suspicious emails to HMRC: phishing@hmrc.gsi.gov.uk or texts to: 60599

Common Helpline Issues

Filing Your Self Assessment Tax Return

The Personal Tax Account (PTA)

Your personal tax account allows you to manage your tax affairs with HMRC online.

It can be used for a number of purposes including:

- Checking your tax code;
- Renewing your tax credits and checking payments;
- Claiming a refund if you've paid too much tax;
- Reviewing your National Insurance record or expected State Pension;
- Filing your tax return.

If you would like to know more about your Personal Tax Account, please see our guide: **Accessing your Personal Tax Account: step by step instructions** and HMRC's interactive [online guide](http://www.hmrc.gov.uk/courses/syob4/pta_guide/) at www.hmrc.gov.uk/courses/syob4/pta_guide/

The purpose of this guide is to assist you in filing your tax return through your PTA. This guide assumes that you have already registered to use the PTA and are already familiar with accessing it.

The entries to be made on a tax return will vary from case to case depending on your sources of income and other circumstances. To avoid becoming unwieldy, this guide confines itself to a situation where you have the following sources of income:

- Self-employment;
- Employment;
- State pension;
- Private pension;
- Interest income;
- Dividend income.

The guide is intended to assist with the online filing procedure as opposed to the tax technical aspects. However, below there are links to HMRC's website in respect of tax technical material e.g. the rules regarding the taxation of interest income. As you progress through the tax return, you will see the information symbol ⓘ. Clicking on this will also provide information regarding tax technical issues.

Below there is also a link to HMRC's online filing helpdesk number.

Before you start, you should ensure you have to hand your log in details and your mobile phone (HMRC may need to send an access code to your phone). You should also have to hand the information that you wish to enter onto the tax return. For example:

- P60 or P45;
- Figures for self-employment income and expenses;

- Interest income.

You will proceed through the following stages before you reach the option to file your tax return:

- Personal tax account: sign in or set up;
- Prove your identity to continue;
- Sign in with User ID and password;
- Enter your access code;
- Set security backup.

Please note that you can still proceed even if you choose not to set security backup.

Once you have completed those steps, you should then arrive at the first screen shown in this guide.

Links to technical material:

- Taxation of self-employment
<https://www.gov.uk/topic/business-tax/self-employed>
- Taxation of pension income
<https://www.gov.uk/tax-on-pension>
- Taxation of interest income
<https://www.gov.uk/apply-tax-free-interest-on-savings>
- Taxation of dividends
<https://www.gov.uk/tax-on-dividends>
- Capital Allowances
<https://www.gov.uk/capital-allowances>

Link to HMRC's helpline for assistance with online services (Tel: **0300 200 3600**)

<https://www.gov.uk/government/organisations/hm-revenue-customs/contact/online-services-helpdesk>

Date prepared: May 2018

This guide shows you the screens you will see and provides you with an explanation of what you need to do at each screen.

On the first screen -Click: Complete your tax return

You will then see the following reminder regarding information you should have to hand before proceeding further.

You can keep track of progress by looking at the menu on the left and the indicator at the top right

You can also amend the "Tell us about you" section if you need to do so.

The next page allows you to “tailor your return”. This is a crucial step as it allows you to select the type of income you wish to report to HMRC. The details of that income will be entered later in the process.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 1% complete

3. Tailor your return
Page 2 of 3

* indicates required information

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

In the tax year 6 April 2017 to 5 April 2018:

Did you receive any **interest** etc, for example, from UK banks, UK building societies, UK unit trusts?

Did you receive any **dividends**, for example, UK companies, authorised unit trusts, open-ended investment companies, foreign companies (up to £300)?

Did you receive any **UK pensions, annuities or state benefits**, for example, state pension, occupational pension, retirement annuity, Incapacity Benefit?

Were you or your partner (if you have one) entitled to receive **Child Benefit** during the year 2017-18 (this applies if someone else claims **Child Benefit** for a child who lives with you and pays you for your child's upkeep)?

Did you receive any **other UK income**, for example, employment lump sums, share schemes, life insurance gains?

Have you made any **income tax losses** in the year 2017-18?

Are you liable to **pension savings tax charges** or have you received payments from overseas pension schemes?

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

In this example, we have confirmed the following sources of income: interest, dividends and pension. The pension option covers both state and private pension income.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 1% complete

3. Tailor your return
Page 2 of 3

* indicates required information

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

In the tax year 6 April 2017 to 5 April 2018:

Did you receive any **interest** etc, for example, from UK banks, UK building societies, UK unit trusts?

Did you receive any **dividends**, for example, UK companies, authorised unit trusts, open-ended investment companies, foreign companies (up to £300)?

Did you receive any **UK pensions, annuities or state benefits**, for example, state pension, occupational pension, retirement annuity, Incapacity Benefit?

Were you or your partner (if you have one) entitled to receive **Child Benefit** during the year 2017-18 (this applies if someone else claims **Child Benefit** for a child who lives with you and pays you for your child's upkeep)?

Did you receive any **other UK income**, for example, employment lump sums, share schemes, life insurance gains?

Have you made any **income tax losses** in the year 2017-18?

Are you liable to **pension savings tax charges** or have you received payments from overseas pension schemes?

Leave the options that are not applicable in your situation as "No".

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 1% complete

3. Tailor your return
Page 3 of 3

* indicates required information
Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.②
In the tax year 6 April 2017 to 5 April 2018:

Did you make contributions towards a **personal pension** or **retirement annuity**? This does not include payments you make to your employer's pension scheme, which are deducted from your pay: ?

Did you give to **charity**? * ?

If you, or your spouse or civil partner, were born before 6 April 1935 do you want to claim married couple's allowance? ?

Do you want to transfer 10% of your personal allowance to your spouse/civil partner? Please see help guidance ?

Do you want to claim **other tax reliefs** and deductions, for example, community investment tax relief, venture capital, maintenance / alimony payments? ?

Have you had any 2017-18 Income Tax refunded or off-set by us or JobCentre Plus? ?

Did you have a tax adviser? * ?

Were you party to one or more tax avoidance schemes? * ?

Are you acting in capacity on behalf of someone else? * ?

The 'Next' button will automatically save your data, or you can click 'Save' at any time. 'Next' will take you to '4. Fill in your return'

Save Back Next

You will see a further reminder of the information you should have to hand before progressing.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 1% complete

4. Fill in your return
Check your progress

To complete your return you may need the following documents:

- P60 or P45 (Part 1A)
- P11D or equivalent information from your employer
- Profit or loss accounts
- Records of business receipts and business expenses
- Bank, building society, unit trust, etc statements and certificates or passbooks
- Dividend counterfoils or investment brokers schedules
- Correspondence from the Department for Work and Pensions
- 2017 to 2018 and 2018 to 2019 Notices of Coding

This section provides you with an overview of what pages make up your tailored return.
✔ A tick means you have entered information into this page. To change this please select from the list below.
➔ An arrow means you have yet to enter information into this page.

Tell us about you Change details about you

Completing your tax return for Employment Income.

You should use your P60 or P45 to complete this page. You will need to include the Employer's PAYE reference. This is on your payslip and P60 and P45. Do not forget to include the tax deducted from your pay.

The screenshot shows the HM Revenue & Customs website interface for filing a tax return for 2017-18. The page is titled '4. Fill in your return' and is for 'Income for < Employment 1 >'. The progress bar indicates 'Your tax return is 1% complete'. A sidebar on the left lists steps from '1. Welcome' to '8. Submit your return', with '4. Fill in your return' selected. The main content area includes a 'File a return' sidebar, a 'Welcome' message, and a list of questions to complete. Questions include: 'Employer name: *', 'Employer's PAYE Reference: *', 'Pay from < Employment 1 > - total from your P45 or P60. Enter the amount before tax taken off:', 'UK tax taken off < Employment 1 > pay:', 'Tips and other payments not on your P60:', 'Were you a director of this company? *', and 'Were you a part-time teacher in England and Wales on the Repayment of Teachers' Loan Scheme?'. Each question has a text input field and a help icon (?). A 'Delete section' button is visible at the bottom right. The page footer contains navigation links: Home, Cymraeg, Contact HMRC, Help, Sign out.

Any other information regarding your employment can be entered here.

The screenshot shows the HM Revenue & Customs website interface for filing a tax return for 2017-18. The page is titled '4. Fill in your return' and is for 'Any other information for'. The progress bar indicates 'Your tax return is 1% complete'. A sidebar on the left lists steps from '1. Welcome' to '8. Submit your return', with '4. Fill in your return' selected. The main content area includes a 'File a return' sidebar, a 'Welcome' message, and a large text input field for 'Any other information about this employment below'. Below the input field are 'Delete' and 'section' buttons. The page footer contains navigation links: Home, Cymraeg, Contact HMRC, Help, Sign out.

Completing your tax return for Self-Employment income.

You will need to have your self-employment income and expenses to hand to complete this section.

Special tax rules apply to a number of trades and professions e.g. foster carer, barrister.

File a return

- ▶ 1. Welcome
- ▶ 2. Tell us about you
- ▶ 3. Tailor your return
- ▶ 4. Fill in your return
- ▶ 5. Check your return
- ▶ 6. View your calculation
- ▶ 7. Save your return
- ▶ 8. Submit your return
- ▶ Provide feedback
- ▶ Tax return options
- ▶ How to pay

4. Fill in your return

Details for < Business 1 > (Page 1 of 2)

* indicates required information

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

You said that you were self-employed in the tax year 6 April 2017 to 5 April 2018. Please complete the following question(s).

The information to help you complete this section can be found in your profit or loss accounts, records of business receipts and business expenses.

Important: If your turnover is above £85,000 VAT registration should be considered. [Read help.](#)

Did you have an annual* turnover of **£85,000 or more?**

Please select the circumstances that apply to your self-employment. If none of them apply, please select the box 'None of these apply'.

- I am a foster carer or adult placement carer
- I wish to make an adjustment to my profits chargeable to Class 4 NICs
- I am a farmer, market gardener or a creator of literary or artistic works and I wish to claim averaging adjustment.
- I am a practicing barrister
- I have changed my accounting date
- The results of my accounts, made up to a date in the year to 5 April 2018, have been declared on a previous return
- My 'basis period' (the self-employed period for which I am taxable) is not the same as my accounting period

The system poses a lot of questions. You may wish to click on the information symbol (?) to assist you to determine if these are applicable in your case.

- I am a foster carer or adult placement carer
- I wish to make an adjustment to my profits chargeable to Class 4 NICs
- I am a farmer, market gardener or a creator of literary or artistic works and I wish to claim averaging adjustment.
- I am a practicing barrister
- I have changed my accounting date
- The results of my accounts, made up to a date in the year to 5 April 2018, have been declared on a previous return
- My 'basis period' (the self-employed period for which I am taxable) is not the same as my accounting period
- I provide my services under contracts for professional or other services and these contracts span my accounting date
- My business is carried on abroad
- I wish to claim 'overlap relief'
- My total turnover is **£1,000** or less from all self-employments but I wish to voluntarily pay Class 2 NICs. **Please check help**
- My total turnover is **£1,000** or less from all self-employments but I wish to claim back tax deducted under the Construction Industry Scheme (CIS). **Please check help**
- My total turnover is less than **£1,000** and I have made a loss. **Please check help**

Complete this screen with your business details. Often the business name is simply your name.

The date your books and records are made up to is often the same as the tax year end date (i.e. 5 April) but it could be another date e.g. 31 December or 30 June.

Turnover is another word for sales or income.

Expenses can be entered as a single figure if the turnover is below the VAT threshold of £85k.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 9% complete

4. Fill in your return

Income for

* indicates required information

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

Turnover - takings, fees, sales or money earned by your business: £ ?

Any other business income not already included above: £ ?

Trading Income Allowance: £ ?

Total business income: £

Expenses

How would you like to record your expenses?*

as a single total value

as a detailed breakdown

Total allowable expenses: £ ?

Net profit: £ 0.00

Capital Allowances may be available if you have incurred capital expenditure. The Annual Investment Allowance is a type of Capital Allowance. You may wish to click on the information symbol or check HMRC's website re Capital Allowances.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 9% complete

4. Fill in your return

Capital allowance and balancing charges for

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

You can claim capital allowances for the purchase and improvements to equipment and machinery such as vehicles, tools, computers, business furniture used in your business. If you've completed '**Trading income allowance**' do not complete the next three questions.

There are **notes and working sheets** that you can download to help you calculate these allowances

Annual Investment Allowance: £ ?

Allowance for small balance of unrelieved expenditure: £ ?

Other capital allowances: £ ?

Total balancing charges - where you disposed of items for more than their tax value: £ ?

Delete section ▶

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

Save Check your progress Back Next

You may wish to check the information symbol (?) before completing this screen.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 9% complete

4. Fill in your return

Other tax adjustments for

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

Goods or services for your own use: £

Net business profit for tax purposes: £ 20000.00

Loss brought forward from earlier years set-off against 2017-18 profits: £

Any other business income not already included: £

Total taxable profits from this business: £ 20000.00

Net business loss for tax purposes: £

Delete section ▶

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

Save Check your progress Back Next

This screen enables you to use any trading losses.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 9% complete

4. Fill in your return

Losses for

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

You can use the [Self-employment losses worksheet](#) to help you enter this information.

Loss from this tax year set-off against other income for 2017-18: £

Loss to be carried back to previous year(s) and set-off against income (or capital gains): £

Total loss to carry forward after all other set-offs including unused losses brought forward: £

Delete section ▶

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

Save Check your progress Back Next

If you have been self-employed under the Construction Industry Scheme, you should enter the tax deducted from your income under that scheme here.

The screenshot shows the HM Revenue & Customs website interface. At the top, there is a navigation bar with the HMRC logo and links for Home, Cymraeg, Contact HMRC, Help, and Sign out. Below this, the page title is 'tax return: 2017-18 IN PROGRESS' and a progress indicator shows 'Your tax return is 9% complete'. The main heading is '4. Fill in your return' with a sub-heading 'Tax deducted for'. A sidebar on the left lists steps from '1. Welcome' to '8. Submit your return', with '4. Fill in your return' highlighted. The main content area contains instructions: 'Use the help icons (?) next to each box for more information. Please note that if you open the help by selecting the icon you will need to close this before opening another.' Below this is a text box with a help icon and a blue arrow pointing to it. The text box contains information about registration as a subcontractor. Below the text box is a form field for 'Deductions on payment and deduction' with a value of '£' and a help icon. Below the form field are 'Delete' and 'Next' buttons. At the bottom, there are 'Save' and 'Check your progress' buttons, and a note: 'The 'Next' button will automatically save your data, or you can click 'Save' at any time.'

This screen enables you to select whether you are exempt from Class 4 NIC e.g. if you are over the state retirement age. See instructions on screen.

The screenshot shows the HM Revenue & Customs website interface. At the top, there is a navigation bar with the HMRC logo and links for Home, Cymraeg, Contact HMRC, Help, and Sign out. Below this, the page title is 'tax return: 2017-18 IN PROGRESS' and a progress indicator shows 'Your tax return is 9% complete'. The main heading is '4. Fill in your return' with a sub-heading 'Class 4 NICs for'. A sidebar on the left lists steps from '1. Welcome' to '8. Submit your return', with '4. Fill in your return' highlighted. The main content area contains instructions: 'Use the help icons (?) next to each box for more information. Please note that if you open the help by selecting the icon you will need to close this before opening another.' Below this is a text box with a warning icon and a red border. The text box contains information about exemptions from Class 4 NICs. Below the text box is a form field for 'Are you exempt from paying Class 4 NICs?' with a dropdown menu and a help icon. Below the form field are 'Delete' and 'Next' buttons. At the bottom, there are 'Save' and 'Check your progress' buttons, and a note: 'The 'Next' button will automatically save your data, or you can click 'Save' at any time.'

Complete with any other information you think relevant about your business.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 9% complete

4. Fill in your return

Any other information for

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

Please give any other information about this business below:

Delete section

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

Save Check your progress Back Next

This screen summarises the information that you have entered regarding your self-employment. The £20k shown here is for illustration only.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 9% complete

4. Fill in your return

Summary for

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

Business income:	£ 20000.00
Total allowable expenses:	£
Profit or Loss:	£ 20000.00
Capital allowances:	£ 0.00
Balancing charges:	£ 0.00
Adjustments:	£ 0.00
Adjusted profit or loss (before any set-offs):	£ 20000.00

Print this page
Delete section

The system will tell you how much Class 2 NIC is due. The figure shown here is for illustration only.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 47% complete

4. Fill in your return
Class 2 National Insurance Contributions

* indicates required information

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another. ?

If your profits are £6025 or more you must pay Class 2 NICs.
If your profits are less than £6025 **you do not have to pay but if you want to pay voluntarily, please see the section below.**

For 2017 to 2018, Class 2 NICs are £2.85 a week.
Your self-employment record shows you owe:

Class 2 NIC amount: £ 148.20 ?

If you haven't told us of a change to your self-employment details for this tax year, for example you ceased self-employment, you can tell us now by clicking the link.
[Update your self-employment details](#)

⚠ If you have used the link above to make changes to your self-employment details, you must click the Recalculate button to get the new amount you owe. ?

Recalculate

If your profits for 2017 to 2018 are less than £6025:
You may want to pay Class 2 NICs voluntarily to protect your entitlement to State Pension and certain benefits. Before you decide **please check help** to find out how not paying may affect you.

Select Yes if you want to pay Class 2 NICs voluntarily* ?

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

Save Check your progress Back Next

Interest Income.
Note that bank interest is now paid gross i.e. no tax deducted at source. You may wish to look at HMRC's website regarding the taxation of interest income. The figure shown here is for illustration only.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 47% complete

4. Fill in your return
UK interest

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another. ?

You have said that you received UK interest in the tax year 6 April 2017 to 5 April 2018. Please complete the following questions.

The answer to these questions can be found in your statement from the interest payer.

The [Taxed UK interest worksheet](#) will calculate the amount of interest and will be helpful if you have more than one account.

Taxed UK interest etc. Enter net amount **after** tax has been taken off: £

The [Untaxed UK interest worksheet](#) will calculate the amount of untaxed interest and will be helpful if you have more than one account.

Untaxed UK interest etc (amounts which have **not been taxed**). Enter total amount: £ ←

Untaxed foreign interest (up to £2,000) - amounts which have **not had** tax taken off. Enter total amount: £

Delete UK interest section

The 'Next' button will automatically save your data, or you can click 'Save' at any time. 'Next' will take you to the next section of your Tax Return

Save Check your progress Back Next

Complete with dividend income. You should refer to your dividend vouchers or other documents. You may wish to look at the tax technical link re the taxation of dividends.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 47% complete

4. Fill in your return

Dividends

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another. (?)

You have said that you received dividends in the tax year 2017 to 2018. Please complete the following questions.

The answers to these questions can be found in your **dividend vouchers or counterfoils**.

The [Dividends from UK companies worksheet](#) will calculate the Net amount and will be helpful if you have more than one account.

Dividends from UK companies. The amount received: £ (?)

The [Dividends from authorised unit trusts and open-ended investment companies worksheet](#) will calculate the Net amount and will be helpful if you have more than one account.

Other dividends. The amount received: £ (?)

Foreign dividends (up to £300) (do not include this amount on your foreign pages). Enter the amount in sterling after foreign tax was taken off: £ (?)

Tax taken off foreign dividends. Enter the sterling equivalent: £ (?)

[Delete dividends section](#)

Complete with the annual amount of state pension. Please note that if your state pension is paid every 4 weeks, to get the annual amount you should multiply the 4 weekly payment by 13 (not 12).

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 47% complete

4. Fill in your return

UK pension and other state benefits (Page 1 of 2)

* indicates required information

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another. (?)

You have said that you received a UK pension and other state benefits in the tax year 6 April 2017 to 5 April 2018. Please complete the following question(s).

Please note: Do not include any amount entered below in the 'State Pension lump sum' box on the next screen.

State Pension - amount you were entitled to receive in the year, **not** the weekly or 4 weekly amount. £ (?)

[Delete UK pension and other state benefits section](#)

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

Save Check your progress Back Next

Enter private pension here.
Do not forget to include
the tax taken off at source.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 47% complete

4. Fill in your return
UK pension and other state benefits (Page 2 of 2)

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

Please complete the remaining UK pension and other state benefits information for 6 April 2017 to 5 April 2018.

The answers to these questions can be found in the 'About the general increases in benefits' letter that The Pension Service sent you.

State Pension lump sum - the gross amount of any lump sum: £

Tax taken off State Pension lump sum: £

The Pension worksheet will calculate the amount and will be helpful if you have more than one account.

Please note: Remember to enter any tax deducted for pensions (other than State Pension), retirement annuities and taxable triviality payments in the 'Tax taken off pensions' box below.

Pensions (other than State Pension), retirement annuities and taxable lump sums treated as pensions: £

Tax taken off pensions (other than State Pension), retirement annuities and taxable lump sums treated as pensions: £

Taxable Incapacity Benefit and contribution-based Employment & Support Allowance: £

Tax taken off taxable Incapacity Benefit: £

Jobseeker's Allowance: £

Total of any other taxable State Pensions and benefits: £

The wording on this screen is somewhat confusing. Select "Yes" if this section does not apply to you or if the amount shown is correct.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 47% complete

4. Fill in your return
Underpaid tax included in PAYE coding (Page 1 of 2)

* indicates required information

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

If our records show that you had an adjustment in your PAYE code for tax underpaid an amount will automatically be shown below. **If this section does not apply to you and zeros are present select 'Yes' to proceed.**

Underpaid tax for earlier years included in your tax code for 6 April 2017 to 5 April 2018 (from your PAYE Notice of Coding): £ 0.00

Only select 'No' if the amount shown above is not correct.

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

If you get an error message, just follow the instructions.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 47% complete

4. Fill in your return

Underpaid tax included in PAYE coding (Page 1 of 2)

ERROR: There is 1 error on this page.
Please complete 'If this figure is not correct, select 'No' and you will be given a chance to amend it below'.

* indicates required information

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.?

If our records show that you had an adjustment in your PAYE code for tax underpaid an amount will automatically be shown below. **If this section does not apply to you and zeros are present select 'Yes' to proceed.**

Underpaid tax for earlier years included in your tax code for 6 April 2017 to 5 April 2018 (from your PAYE Notice of Coding): £ 0.00

Only select 'No' if the amount shown above is* not correct. Yes

X ERROR: Please check and amend the entry below.

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

Save Check your progress Back Next

As above, the wording on this next screen is also confusing. If the figure shown is correct or does not apply to you, select "Yes" to proceed.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

return: 2017-18 IN PROGRESS
Your tax return is 47% complete

4. Fill in your return

Underpaid tax included in PAYE coding (Page 2 of 2)

* indicates required information

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.?

Our records show that your 2017 to 2018 PAYE Notice of Coding includes an adjustment for tax underpaid.

Estimated underpaid tax for 6 April 2017 to 5 April 2018 to be included in your PAYE tax code for 6 April 2018 to 5 April 2019 (from your PAYE Notice of Coding): £ 0.00

Only select 'No' if the amount shown above is* not correct. Yes

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

Save Check your progress Back Next

Note: enter "0" if there is no tax debt included in your PAYE code or if you do not have a code.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 47% complete

4. Fill in your return

Other debts

* indicates required information

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.?

Outstanding debt included in your tax code for* £ ?
2017-18. **Please enter '0' if there is nothing shown or you did not have a PAYE code:**

The 'Next' button will automatically save your data, or you can click 'Save' at any time. 'Next' will take you to the next section of your Tax Return

Save Check your progress Back Next

File a return

- 1. Welcome
- 2. Tell us about you
- 3. Tailor your return
- 4. Fill in your return
- 5. Check your return
- 6. View your calculation
- 7. Save your return
- 8. Submit your return
- Provide feedback
- Tax return options
- How to pay

This screen allows you to select who will receive any refund.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 47% complete

4. Fill in your return

Overpaid tax

If you think you have paid too much tax you must tell HM Revenue and Customs (HMRC) where you want any repayment to be sent. If you paid your tax due by credit or debit card, we will always try to repay back to the card you paid with first before making any repayment as requested. This will prevent delays.

If you did not pay by card and a repayment is due, HMRC will repay direct to your bank or building society account - this is the safest and quickest method - or you can authorise a nominee to receive your repayment.

To tell HMRC who you want to receive your repayment, select an option from the drop-down menu below.

Please note: HMRC normally issue repayments within 2 weeks. But, HMRC monitor all online transactions and have measures in place to protect you against fraud. This may cause a slight delay in the repayment being issued. **Please allow up to 4 weeks before contacting HMRC to chase up this repayment.**

Who will be receiving some or all of the repayment?

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

Save Check your progress Back Next

File a return

- 1. Welcome
- 2. Tell us about you
- 3. Tailor your return
- 4. Fill in your return
- 5. Check your return
- 6. View your calculation
- 7. Save your return
- 8. Submit your return
- Provide feedback
- Tax return options
- How to pay

To receive a refund into your bank account, you should provide HMRC with the relevant bank details.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 47% complete

4. Fill in your return

Overpaid tax

Repayment to yourself

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.?

Please enter details of where you would like any repayment to be sent. If you paid your tax due by credit or debit card, we will always try to repay back to the card you paid with first before making any repayment as requested by you below. **Remember**, if you paid your tax by direct debit you will still need to enter your bank details below to receive any repayment due.

Always double check the sort code and account number provided as HM Revenue and Customs (HMRC) cannot take responsibility for delays if the payment is made to an incorrect account.

If you want the repayment to be sent to you but because you don't have a bank or building society account, you **must** tick the checkbox to confirm this.

Please note: HMRC normally issue repayments within 2 weeks. But, HMRC monitor all online transactions and have measures in place to protect you against fraud. This may cause a slight delay in the repayment being issued. Please allow up to 4 weeks before contacting HMRC to chase up this repayment.

Name of bank or building society:

Name of account holder:

Branch sort code:

Account number:

Building society reference number:

I do not have a bank or building society account ?

Address line 1:

There is an option to have tax collected through your PAYE code if the debt is under £3k.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 47% complete

4. Fill in your return

If you have not paid enough tax

* indicates required information

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.?

If you owe less than £3,000 tax for 6 April 2017 to 5 April 2018 and you want us to try and collect the tax you owe through your 6 April 2019 to 5 April 2020 PAYE tax code, you must file and **submit** your 6 April 2017 to 5 April 2018 online Tax Return by **30 December 2018**.

If you file and **submit** your 6 April 2017 to 5 April 2018 online Tax Return **after the 30 December 2018** we cannot collect this tax through your 6 April 2019 to 5 April 2020 PAYE tax code as this option will no longer be available.

If you are submitting by 30 December, owe tax* ?
for 2017-18 and have a PAYE tax code, do you want us to try to collect the tax and Class 4 NICs due (if less than £3,000) through your tax code for 2019-20?

If you are likely to owe tax for the current tax year (ended 5 April 2019) on income other than employed earnings/pensions e.g. savings or the High Income Child Benefit Charge, do you want us to use your 2018-19 PAYE tax code to collect that tax during the year? ?

If you need to adjust the level of your tax liability, you can do so here. This is applicable in some cases including farmers or artists where there are special tax rules.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

▲ Your HMRC Services ▲ Self Assessment **tax return: 2017-18 IN PROGRESS**
Your tax return is 47% complete

4. Fill in your return

Adjustments to tax due

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.?

Do you need to make any adjustments to increase or decrease your tax due for 6 April 2017 to 5 April 2018? This may apply if you are claiming averaging for farmers or creators of literary or artistic work or you had post-cessation receipts.

Increase in tax due because of adjustments to an earlier year: £ ?

Decrease in tax due because of adjustments to an earlier year: £ ?

Any 6 April 2018 to 5 April 2019 repayment you are claiming now: £ ?

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

If you have used provisional or estimated figures instead of actual figures, you should notify HMRC of this here.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

▲ Your HMRC Services ▲ Self Assessment **tax return: 2017-18 IN PROGRESS**
Your tax return is 47% complete

4. Fill in your return

Any other information (Page 1 of 2)

* indicates required information

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.?

Does this return contain provisional or* estimated figures? (If yes, please provide details on the next page) ?

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

Any other information.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 47% complete

4. Fill in your return

Any other information (Page 2 of 2)

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

Please give any other information in this space.

Do you want to add an attachment to your return?
Please select

The 'Next' button will automatically save your data, or you can click 'Save' at any time.

It is highly advisable to check your return before submitting it to HMRC.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 90% complete

5. Check your return

Your return contains no errors

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

This section lets you check that you have answered all of the questions relevant to your circumstances by displaying the sections of the return you have not selected.

✓ In the year starting 6 April 2017 and ending 5 April 2018 you have told us you:

- were **not** in a partnership
- did **not** receive income from:
 - property
 - foreign earnings
- did **not**
 - dispose of any chargeable assets
 - have any chargeable gains
 - claim an allowable loss
 - make any other claim or election

If you feel you have missed any information, please update your details in [3. Tailor your return](#).

Tell us about you	✓ Change details about you
Tailor your return	✓ Change your tailored return (page 1) ✓ Change your tailored return (page 2) ✓ Change your tailored return (page 3)
Employment	✓ Change income ✓ Change additional information
Self-employment	✓ Change self-employment details (page 1) ✓ Change self-employment details (page 2) ✓ Change accounting details ✓ Change income ✓ Change capital allowances

It is highly advisable to check your tax liability before submitting the tax return to HMRC. You might wish simply to do a sense check or alternatively a long hand calculation on paper and compare that calculation to the liability on the tax return.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 90% complete

File a return

- 1. Welcome
- 2. Tell us about you
- 3. Tailor your return
- 4. Fill in your return
- 5. Check your return
- 6. View your calculation**
- 7. Save your return
- 8. Submit your return
- Provide feedback
- Tax return options
- How to pay

6. View your calculation

Summary

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

This section provides you with the result of your calculation. Please check the figures and amounts due carefully.

Please note: Unless you are viewing a previously submitted return you must click the 'Next' button at the bottom of this page to save then submit your return.

Total amount due for 2017-18	£
Plus	
First payment on account for 2018-19	£
Total to be added to Self Assessment account due by 31 January 2019	£

HM Revenue and Customs will add this amount to your Self Assessment statement of account. It doesn't include any 2017 to 2018 payments on account you may have made or any other amounts outstanding. To help you to decide how much, if anything, to pay by the due date, check your Self Assessment account and use the information above until it transfers over.

Please note: Please carefully check the figures and the amounts due, which are calculated using the amounts you have entered. HM Revenue and Customs will allocate your payments against any Class 2 National Insurance first unless you have outstanding debts.

Second payment on account for 2018-19 will be due by **31 July 2019**

If you want to make changes or additions to your return, go to [3. Tailor Your Return](#).

[View and print your full calculation](#)

Back Next

You may wish to check the information symbol (?) in respect of this.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

tax return: 2017-18 IN PROGRESS
Your tax return is 95% complete

File a return

- 1. Welcome
- 2. Tell us about you
- 3. Tailor your return
- 4. Fill in your return
- 5. Check your return
- 6. View your calculation**
- 7. Save your return
- 8. Submit your return
- Provide feedback
- Tax return options
- How to pay

6. View your calculation

Payments on account

* indicates required information

Are you claiming to reduce your 2018-19* payments on account? Please select ?

Save

'Next' will take you to '7. Save your return'

Back Next

It is advisable to save your return before you submit it and there are a number of options.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

return: 2017-18 IN PROGRESS
Your tax return is 95% complete

7. Save your return

Use the help icons (?) next to each box for more information. **Please note** that if you open the help by selecting the icon you will need to close this before opening another.

You have not yet submitted your return.
Before you do this you can view, print or save a copy of your return to your own computer. To submit your return - go to the bottom of this page and click the 'Next' button to continue.

Black and white copy of your return

- contains all the sections you completed
- text only (does not resemble the paper form)
- HTML file
- small file size
- quick to download

Colour copy of your return

- contains all the sections you completed
- closely resembles the paper form
- colour PDF (requires a PDF file viewer. You can get one at www.adobe.com. This can be downloaded for free.)
- large file size
- slow to download

Attachments
You can also **view, print** and **save** a list of all attachments that have been uploaded.

[Add an attachment](#)
[View list of attachments](#)

Before you submit the tax return, you should tick the box to confirm that information is correct and complete to the best of your knowledge.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

return: 2017-18 IN PROGRESS
Your tax return is 95% complete

8. Submit your return

Declaration

* Indicates required information

You have not yet submitted your return.
Before you can submit your return to HM Revenue and Customs, you must read and agree the following statement by ticking the checkbox below. You should then go to the bottom of the screen and click the 'Next' button to continue.
If you give false information you may have to pay financial penalties and face prosecution.

The information I have given on this Tax Return is correct and complete to the best of my knowledge and belief*

Your completed return

Tell us about you	Details about you
Tailor your return	Your tailored return (page 1) Your tailored return (page 2) Your tailored return (page 3)
Self-employment Nina Mansilla	Self-employment details (page 1) Self-employment details (page 2) Accounting details Income Capital allowances Adjustments Losses Tax deducted Class 4 NIC Additional information

You might need to re-enter your sign in details before submitting the tax return.

The screenshot shows the top of the HM Revenue & Customs website. At the top left is the GOV.UK logo. Below it is the HM Revenue & Customs logo. On the right, there are links for 'English' and 'Cymraeg'. The main heading is 'Re-enter your sign in details'. Below this is a message: 'We need you to enter your Government Gateway credentials again for security purposes.' There are two input fields: 'User ID' and 'Password'. Below the password field is a green 'Continue' button. At the bottom left, there is a link: 'Get help with this page.'

Sometimes this takes a while. You can log out and log back in later.

The screenshot shows the '8. Submit your return' page on the HM Revenue & Customs website. At the top is the HM Revenue & Customs logo and navigation links: 'Home', 'Cymraeg', 'Contact HMRC', 'Help', and 'Sign out'. Below the logo is a progress indicator for 'tax return: 2017-18 IN PROGRESS' showing 'Your tax return is 95% complete' with a progress bar. On the left is a 'File a return' menu with options: '1. Welcome', '2. Tell us about you', '3. Tailor your return', '4. Fill in your return', '5. Check your return', '6. View your calculation', '7. Save your return', '8. Submit your return', 'Provide feedback', 'Tax return options', and 'How to pay'. The main heading is '8. Submit your return'. Below it is a 'Submitting' section with a message: 'You may experience a short delay whilst your return is submitted. We are waiting for notification that your return has been successfully received by HM Revenue and Customs (HMRC). This process may take a while. If you are not able to wait for a response, you can log out and return to your return later, to confirm that HMRC has received your return.' At the bottom right, there is a 'Submitting' label with three right-pointing arrows.

When you log back in you will see that the tax return has been submitted.

You also have other options such as viewing the calculation.

The screenshot shows the HM Revenue & Customs website interface. At the top, there is a navigation bar with the HMRC logo and the text 'HM Revenue & Customs'. To the right of the logo are links for 'Home', 'Cymraeg', 'Contact HMRC', 'Help', and 'Sign out'. Below the navigation bar, there are two main sections: 'Your HMRC Services' and 'Self Assessment'. A blue arrow points from the 'Self Assessment' section to a notification that says 'tax return: 2017-18 SUBMITTED'. The main content area is titled 'Welcome back' and contains a section 'What would you like to do today?'. This section includes a paragraph explaining the 'File a return' service and a notification that the 2017 to 2018 tax return was successfully submitted and received by HM Revenue and Customs at 09:57 GMT on May 2018. Below this, there is a box for the 'submission receipt reference number' with a 'Save your submission receipt reference number' link and a 'Print your submission receipt reference number' link. At the bottom of the page, there is a 'Cancel' button.

HM Revenue & Customs Home Cymraeg Contact HMRC Help Sign out

▲ Your HMRC Services
▲ Self Assessment

File a return

- ▶ Welcome
- ▶ View your calculation
- ▶ View/print/save your return
- ▶ Provide feedback
- ▶ Exit File a return
- ▶ Tax return options
- ▶ How to pay

Welcome back

What would you like to do today?

This section explains what you can do using the File a return service.

The 2017 to 2018 tax return for [redacted] was successfully submitted and was received by HM Revenue and Customs at 09:57 GMT on May 2018.

Your **submission receipt reference number** is: [redacted]

We suggest that you check to ensure that you have this number on the latest printed or stored copy of your return (it changes every time you amend your return prior to submission). ⓘ

[Save your submission receipt reference number](#) ▶

[Print your submission receipt reference number](#) ▶

What would you like to do today?

- ▶ [View your calculation for your latest submitted return](#)
- ▶ [View/print/store your return onto your local drive](#)
- ▶ [Pay any outstanding tax you owe using How to pay](#)
- ▶ [Work with your current and previous returns in Tax return options](#)

Date prepared: May 2018

Technical Material – LITRG Guides

Tax Basics

<https://www.litrg.org.uk/tax-guides/tax-basics/introduction-tax-system>

<https://www.litrg.org.uk/tax-guides/tax-basics/how-do-i-work-out-my-tax>

<https://www.litrg.org.uk/tax-guides/tax-basics/what-income-taxable>

<https://www.litrg.org.uk/tax-guides/tax-basics/what-tax-allowances-am-i-entitled>

<https://www.litrg.org.uk/tax-guides/tax-basics/what-tax-rates-apply-me>

<https://www.litrg.org.uk/tax-guides/tax-basics/how-my-tax-collected>

<https://www.litrg.org.uk/tax-guides/tax-basics/do-i-need-complete-tax-return>

<https://www.litrg.org.uk/tax-guides/tax-basics/do-i-need-complete-tax-return>

<https://www.litrg.org.uk/tax-guides/tax-basics/how-do-i-claim-tax-back>

<https://www.litrg.org.uk/tax-guides/tax-basics/how-do-i-claim-tax-back/how-do-i-claim-back-tax-i-have-overpaid-through-payee>

<https://www.litrg.org.uk/tax-guides/tax-basics/how-do-i-claim-tax-back/how-do-i-claim-back-tax-if-i-am-self-assessment>

<https://www.litrg.org.uk/tax-guides/tax-basics/how-do-i-claim-tax-back/how-do-i-claim-back-tax-savings-income>

<https://www.litrg.org.uk/tax-guides/tax-basics/how-do-i-claim-tax-back/using-tax-refund-companies>

<https://www.litrg.org.uk/tax-guides/tax-basics/how-do-i-claim-tax-back/how-do-i-work-out-if-i-have-paid-too-much-tax>

<https://www.litrg.org.uk/tax-guides/tax-basics/what-national-insurance>

<https://www.litrg.org.uk/tax-guides/tax-basics/what-scottish-income-tax>

<https://www.litrg.org.uk/tax-guides/tax-basics/what-scottish-rate-income-tax/how-does-scottish-income-tax-work>

<https://www.litrg.org.uk/tax-guides/tax-basics/what-scottish-rate-income-tax/do-i-have-pay-scottish-income-tax>

<https://www.litrg.org.uk/tax-guides/tax-basics/what-scottish-rate-income-tax/what-devolution>

<https://www.litrg.org.uk/tax-guides/tax-basics/do-i-have-join-pension-scheme>

<https://www.litrg.org.uk/tax-guides/tax-basics/digital-services-%E2%80%93-dealing-your-tax-and-tax-credits-online>

<https://www.litrg.org.uk/tax-guides/tax-basics/Enquiries-penalties-appeals-complaints-debt>

<https://www.litrg.org.uk/tax-guides/tax-basics/when-things-go-wrong/enquiries>

<https://www.litrg.org.uk/tax-guides/tax-basics/when-things-go-wrong/how-survive-enquiry-hmrc>

<https://www.litrg.org.uk/tax-guides/tax-basics/when-things-go-wrong/tax-penalties>

<https://www.litrg.org.uk/tax-guides/tax-basics/when-things-go-wrong/tax-appeals>

<https://www.litrg.org.uk/tax-guides/tax-basics/when-things-go-wrong/alternative-dispute-resolution>

<https://www.litrg.org.uk/tax-guides/tax-basics/when-things-go-wrong/how-do-i-complain-hmrc>

<https://www.litrg.org.uk/tax-guides/tax-basics/when-things-go-wrong/what-if-i-cannot-pay-my-tax-bill>

<https://www.litrg.org.uk/tax-guides/tax-basics/when-things-go-wrong/what-if-i-have-tax-credits-overpayment>

Technical Material – LITRG Guides

Employed

<https://www.litrg.org.uk/tax-guides/employed/am-i-employed-self-employed-both-or-neither>

<https://www.litrg.org.uk/tax-guides/employed/what-national-minimum-wage>

<https://www.litrg.org.uk/tax-guides/employed/how-do-i-work-out-my-tax>

<https://www.litrg.org.uk/tax-guides/employed/what-income-taxable>

<https://www.litrg.org.uk/tax-guides/employed/what-tax-allowances-am-i-entitled>

<https://www.litrg.org.uk/tax-guides/employed/what-tax-rates-apply-me>

<https://www.litrg.org.uk/tax-guides/employed/how-my-tax-collected>

<https://www.litrg.org.uk/tax-guides/employed/how-do-i-check-my-coding-notice>

<https://www.litrg.org.uk/tax-guides/employed/do-i-need-complete-tax-return>

<https://www.litrg.org.uk/tax-guides/employed/what-tax-do-i-pay-redundancy-payments>

<https://www.litrg.org.uk/tax-guides/employed/employment-benefits-and-expenses>

<https://www.litrg.org.uk/tax-guides/employed/employment-benefits-and-expenses/what-are-benefits-kind>

<https://www.litrg.org.uk/tax-guides/employed/employment-benefits-and-expenses/what-payments-and-benefits-are-non-taxable>

<https://www.litrg.org.uk/tax-guides/employed/employment-benefits-and-expenses/what-if-i-incur-expenses-relation-my-job>

<https://www.litrg.org.uk/tax-guides/employed/employment-benefits-and-expenses/what-travel-expenses-can-i-claim>

<https://www.litrg.org.uk/tax-guides/employed/employment-benefits-and-expenses/what-if-i-use-my-own-car-business-purposes>

<https://www.litrg.org.uk/tax-guides/employed/employment-benefits-and-expenses/payroll-giving>

<https://www.litrg.org.uk/tax-guides/employed/pensions-and-employees>

<https://www.litrg.org.uk/tax-guides/employed/pensions-and-employees/what-automatic-enrolment-employees>

<https://www.litrg.org.uk/tax-guides/employed/how-do-i-repay-my-student-loan>

<https://www.litrg.org.uk/tax-guides/employed/what-if-i-do-not-pay-enough-tax>

<https://www.litrg.org.uk/tax-guides/employed/what-if-i-pay-too-much-tax>

<https://www.litrg.org.uk/tax-guides/employed/what-if-i-work-abroad-temporarily>

<https://www.litrg.org.uk/tax-guides/employed/first-time-workers>

Technical Material – LITRG Guides

Self-employed

<https://www.litrg.org.uk/tax-guides/self-employment/am-i-employed-self-employed-both-or-neither>

<https://www.litrg.org.uk/tax-guides/self-employment/how-do-i-register-tax-and-national-insurance>

<https://www.litrg.org.uk/tax-guides/self-employment/what-dates-are-important-self-employment>

<https://www.litrg.org.uk/tax-guides/self-employment/working-out-profits-losses-and-capital-allowance>

<https://www.litrg.org.uk/tax-guides/self-employment/working-out-profits-losses-and-capital-allowance/can-i-claim-pre-trade>

<https://www.litrg.org.uk/tax-guides/self-employment/working-out-profits-losses-and-capital-allowance/how-do-i-work-out-my>

<https://www.litrg.org.uk/tax-guides/self-employment/working-out-profits-losses-and-capital-allowance/what-business-expenses>

<https://www.litrg.org.uk/tax-guides/self-employment/working-out-profits-losses-and-capital-allowance/what-business-expenses-1>

<https://www.litrg.org.uk/tax-guides/self-employment/working-out-profits-losses-and-capital-allowance/what-if-i-make-loss>

<https://www.litrg.org.uk/tax-guides/self-employment/working-out-profits-losses-and-capital-allowance/what-cash-basis>

<https://www.litrg.org.uk/tax-guides/self-employment/working-out-profits-losses-and-capital-allowance/how-do-i-work-out-my-0>

<https://www.litrg.org.uk/tax-guides/self-employment/what-tax-allowances-am-i-entitled>

<https://www.litrg.org.uk/tax-guides/self-employment/how-do-i-pay-tax-self-employed-income>

<https://www.litrg.org.uk/tax-guides/self-employment/what-national-insurance-do-i-pay-if-i-am-self-employed>

<https://www.litrg.org.uk/tax-guides/self-employment/enquiries-penalties-and-debt>

<https://www.litrg.org.uk/tax-guides/self-employment/enquiries-penalties-and-debt/enquiries-more-detail>

<https://www.litrg.org.uk/tax-guides/self-employment/enquiries-penalties-and-debt/what-penalties-might-i-be-given>

<https://www.litrg.org.uk/tax-guides/self-employment/enquiries-penalties-and-debt/alternative-dispute-resolution>

<https://www.litrg.org.uk/tax-guides/self-employment/business-records>

<https://www.litrg.org.uk/tax-guides/self-employment/how-do-i-repay-my-student-loan-if-i-am-self-employed>

<https://www.litrg.org.uk/tax-guides/self-employment/pensions-and-self-employment>

<https://www.litrg.org.uk/tax-guides/self-employment/do-i-have-pay-vat-if-i-am-self-employed>

Technical Material – LITRG Guides

Pensioners

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/approaching-retirement>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/what-income>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/how-do-i-work-out-my-tax>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/what-income-taxable>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/what-tax-allowances-am-i-entitled>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/what-tax-rates-apply-me>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/how-my-tax-collected>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/how-do-i-check-my-coding-notice>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/tax-code-problems-retirement>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/what-should-i-do-if-i-have-not-paid-enough-tax>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/what-tax-do-i-pay-savings-income>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/how-do-i-claim-any-tax-back>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/do-i-need-complete-tax-return>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/what-national-insurance-do-i-pay-after-retirement>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/what-happens-if-i-retire-abroad>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/what-tax-position-when-i-take-money-my-pension-flexibly>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/how-do-i-cash-my-small-pension-trivial-commutation>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/what-tax-do-i-pay-my-state-pension-lump-sum>

<https://www.litrg.org.uk/tax-guides/pensioners-and-tax/what-state-pension-deferral>

Technical Material – LITRG Guides

Bereavement

<https://www.litrg.org.uk/tax-guides/bereavement-and-tax/how-do-i-notify-death>

<https://www.litrg.org.uk/tax-guides/bereavement-and-tax/what-if-i-am-executor-or-personal-representative>

<https://www.litrg.org.uk/tax-guides/bereavement-and-tax/death-spouse-or-civil-partner>

<https://www.litrg.org.uk/tax-guides/bereavement-and-tax/tax-and-writing-will>

<https://www.litrg.org.uk/tax-guides/bereavement-and-tax/what-inheritance-tax>

<https://www.litrg.org.uk/tax-guides/bereavement-and-tax/how-do-i-assess-estate-inheritance-tax-purposes>

<https://www.litrg.org.uk/tax-guides/bereavement-and-tax/how-do-i-work-out-inheritance-tax-due-estate>

<https://www.litrg.org.uk/tax-guides/bereavement-and-tax/what-nil-rate-band>

<https://www.litrg.org.uk/tax-guides/bereavement-and-tax/how-estate-taxed-during-administration>

<https://www.litrg.org.uk/tax-guides/bereavement-and-tax/what-effect-death-state-benefits>

Technical Material – LITRG Guides

Migrants

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/guides-and-factsheets>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/can-i-live-and-work-uk>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile/why-are-residence-and-domicile-important>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile/what-residence>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile/when-someone-resident-uk>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile/what-if-i-only-visit-uk>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile/what-split-year-treatment>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile/what-domicile>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile/where-am-i-domiciled>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile/how-are-foreign-income-and-gains-taxed>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile/what-remittance>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile/do-i-have-complete-tax-return>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile/does-remittance-basis-apply-tax-credits>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile/what-double-taxation-agreement>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/residence-and-domicile/what-dual-residence>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/employment-and-self-employment>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/employment-and-self-employment/am-i-employed-self-employed-or-both>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/employment-and-self-employment/how-do-i-pay-tax>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/employment-and-self-employment/who-has-complete-self-assessment-tax>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/employment-and-self-employment/do-seasonal-workers-pay-tax>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/employment-and-self-employment/what-if-i-am-paid-cash>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/employment-and-self-employment/agency-workers>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/employment-and-self-employment/what-national-minimum-wage>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/employment-and-self-employment/what-if-i-am-cross-border-worker>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/employment-and-self-employment/do-i-have-join-pension-scheme>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/employment-and-self-employment/understanding-your-payslip>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/employment-and-self-employment/what-happens-when-i-leave-uk>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/national-insurance-migrants>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/national-insurance-migrants/how-do-i-get-national-insurance-number>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/national-insurance-migrants/what-are-national-insurance-contributions>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/national-insurance-migrants/what-if-i-am-posted-worker-eu-norway-iceland>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/national-insurance-migrants/what-if-i-come-country-which-uk-has-social>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/national-insurance-migrants/what-if-i-come-country-no-social-security>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/national-insurance-migrants/national-insurance-and-uk-state-pension>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/national-insurance-migrants/what-if-i-am-cross-border-worker>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/coming-uk-study>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/coming-uk-study/do-international-students-pay-uk-tax>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/coming-uk-study/do-international-students-pay-national-insurance>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/other-migrant-issues>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/other-migrant-issues/common-migrant-tax-problems>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/other-migrant-issues/how-do-i-claim-tax-back>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/other-migrant-issues/can-i-bring-my-car-uk>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/other-migrant-issues/driving-uk>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/other-migrant-issues/television-uk>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/other-migrant-issues/how-do-i-open-uk-bank-account>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/other-migrant-issues/can-i-claim-vat-refund-if-i-leave-uk>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/other-migrant-issues/council-tax>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/other-migrant-issues/i-am-construction-worker-how-do-i-get-cscs-card>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/other-migrant-issues/am-i-entitled-uk-healthcare-cover>

<https://www.litrg.org.uk/tax-guides/migrants-and-tax/eu-and-eea-countries>

Technical Material – LITRG Guides

Disabled people and carers

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/help-employees>

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/help-employers>

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/independent-living>

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/caring-someone>

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/caring-someone/foster-carers-and-shared-lives-carers>

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/caring-someone/foster-carers-and-shared-lives-carers-0>

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/caring-someone/foster-carers-and-shared-lives-carers/capital>

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/caring-someone/foster-carers-and-shared-lives-carers/can-i>

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/caring-someone/tax-and-benefits-carers>

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/caring-someone/pension-and-national-insurance-carers>

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/caring-someone/issues-facing-paid-care-workers>

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/vat-reliefs-disabled-and-older-people>

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/trusts-disabled-people>

<https://www.litrg.org.uk/tax-guides/disabled-people-and-carers/apprenticeships>

Plus guidance and support for anyone taking on a personal assistant to help them live independently can be found here:

<https://disabilitytaxguide.org.uk/>

Technical Material – LITRG Guides

Other tax issues

<https://www.litrg.org.uk/tax-guides/other-tax-issues/savings-and-tax>

<https://www.litrg.org.uk/tax-guides/other-tax-issues/property-income>

<https://www.litrg.org.uk/tax-guides/other-tax-issues/property-income/rent-room>

<https://www.litrg.org.uk/tax-guides/other-tax-issues/property-income/renting-out-property>

<https://www.litrg.org.uk/tax-guides/other-tax-issues/capital-gains-tax>

<https://www.litrg.org.uk/tax-guides/other-tax-issues/council-tax-and-rates>

<https://www.litrg.org.uk/tax-guides/other-tax-issues/giving-charity>

Technical Material – LITRG Guides

Tax Credits and benefits

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/who-can-claim-tax-credits>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/what-working-tax-credit>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/disability-and-tax-credits>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/what-child-tax-credit>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/what-child-tax-credit/2-child-limit-policy>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/can-i-claim-my-child-aged-16-or-over>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/how-do-i-calculate-tax-credits>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/how-do-i-claim-tax-credits>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/can-i-backdate-my-claim-tax-credits>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/what-counts-income-tax-credits>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/what-income-will-be-used-calculate-my-claim>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/how-are-tax-credits-paid>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/how-do-i-renew-my-tax-credits-claim>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/what-changes-do-i-need-report>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/how-do-i-appeal-tax-credits-decision>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/what-can-i-do-if-i-have-underpayment>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/what-can-i-do-if-i-have-overpayment>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/what-if-my-claim-checked-hmrc>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/how-do-i-complain-about-tax-credits>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/how-do-i-contact-hmrc-about-tax-credits>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/how-will-universal-credit-affect-tax-credits>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/tax-credits/universal-credit-and-stopping-tax-credits>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/state-benefits>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/child-benefit>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/universal-credit>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/universal-credit/how-do-i-claim-universal-credit>

<https://www.litrg.org.uk/tax-guides/tax-credits-and-benefits/universal-credit/who-can-make-claim-universal-credit>

Technical Material – LITRG Guides

Students

All tax info for students can be found on LITRG's dedicated student tax website:

www.taxguideforstudents.org.uk

Technical Material – LITRG Guides

The Armed Forces and their families

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/litrg-guide-armed-forces>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-pay-taxed>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-pay-taxed/what-payee>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-pay-taxed/what-national-insurance-do-i-pay>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-pay-taxed/allowances-and-expenses-paid-you>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-pay-taxed/understanding-your-payslip>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-pay-taxed/what-deductions-can-be-taken-my-salary>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-pay-taxed/termination-payments-leaving-armed-forces>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-pay-taxed/multiple-sources-employment-and-or-pension-income-or>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-pay-taxed/working-overseas>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-pay-taxed/how-are-tax-underpayments-collected-hmrc>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-pay-taxed/self-assessment-introduction>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-pay-taxed/contributions-pension-schemes>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-pay-taxed/scottish-income-tax>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/self-employed-and-armed-forces>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/self-employed-and-armed-forces/self-employed-and-overseas>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/pensions-you-receive>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/pensions-you-receive/pensions-paid-leaving-armed-forces>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/pensions-you-receive/pensions-paid-dependants-and-widows-or-widowers>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/pensions-you-receive/state-pension-and-other-pensions-not-connected>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/tax-credits-people-armed-forces>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/other-tax-issues>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/other-tax-issues/capital-gains-tax-armed-services>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/other-tax-issues/capital-gains-tax-armed-services/capital-gains-tax>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/other-tax-issues/capital-gains-tax-armed-services/capital-gains-ta-0>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/disabled-after-being-armed-forces>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/disabled-after-being-armed-forces/leaving-armed-forces-result>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/disabled-after-being-armed-forces/payments-benefits-and-services>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/disabled-after-being-armed-forces/associated-payments-family>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/residence-and-domicile-issues>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/residence-and-domicile-issues/residence-and-domicile-armed-forces>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/residence-and-domicile-issues/residence-and-domicile-spouses-and>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/inheritance-tax-those-serving-or-who-have-served-armed-forces>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/inheritance-tax-those-serving-or-who-have-served-armed-forces-0>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/inheritance-tax-those-serving-or-who-have-served-armed-forces-1>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/how-claim-refund>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/disputes-hmrc>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/disputes-hmrc/enquiries-and-penalties>

<https://www.litrg.org.uk/tax-guides/armed-forces-and-tax/useful-contacts-pay-or-pensions>

Technical Material – LITRG Guides

Help towards the cost of childcare

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/employer-supported-childcare>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/employer-supported-childcare/how-does-employer-supported>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/who-can-claim-vouchers>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/employer-supported-childcare/how-much-can-i-save>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/employer-supported-childcare/what-qualifying-childcare>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/employer-supported-childcare/how-do-vouchers-interact-other>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/free-childcare-places>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/tax-credits-childcare-support>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/tax-credits-childcare-support/how-does-it-work>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/tax-credits-childcare-support/who-can-claim-childcare>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/tax-credits-childcare-support/how-do-i-claim-childcare>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/tax-credits-childcare-support/how-much-will-i-get>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/tax-credits-childcare-support/what-qualifying-childcare>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/tax-credits-childcare-support/how-does-it-interact-other>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/universal-credit>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/universal-credit/how-does-it-work>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/universal-credit/how-do-i-claim-childcare-element-universal>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/universal-credit/who-can-claim-childcare-element-universal>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/universal-credit/how-much-can-i-claim>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/universal-credit/what-qualifying-childcare>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/universal-credit/how-does-it-interact-other-schemes>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/other-childcare-support>

<https://www.litrg.org.uk/tax-guides/help-towards-costs-childcare/Tax-free-childcare>

Signposting

Name of Organisation	Website	Phone Number
Tax Help For Older People	www.taxvol.org.uk	0845 601 3321 or 01308 488066
CAB Royal Courts of Justice	www.rcjadvice.org.uk	020 7947 6000
Bankruptcy Advice Service (Subscription)	www.bankruptcyadvisoryservice.co.uk	01423 862114
National Debt Line	www.nationaldebtline.co.uk	0808 808 4000
Business Debt Line	www.bdl.org.uk	0800 197 6026
Citizens Advice	www.citizensadvice.org.uk	03444 111 444
National Childminding Association	www.ncma.org.uk	0300 003 0005
The Fostering Network	www.fostering.net	0207 620 6400
NAAPS (Shared Lives was Adult Placement)	www.naaps.org.uk	0151 227 3499
Samaritans	www.samaritans.org	116123
Turn2us	www.turn2us.org.uk	0808 802 2000
Relate	www.relate.org.uk	0300 063 0396
Age UK	www.ageuk.org.uk	0800 055 6112
Gingerbread	www.gingerbread.org.uk	0207 428 5400
Mary Ward Legal Centre	www.marywardlegal.org.uk	020 7831 7079
Legal Aid finder	http://find-legal-advice.justice.gov.uk	
ACAS	www.acas.org.uk	0300 123 1150
Business Link	www.businesslink.gov.uk	0300 456 3565 (London)
Pensions Advisory Service	www.pensionsadvisoryservice.org.uk	0800 011 3792
GOV.UK	www.gov.uk	
Chartered Institute of Taxation	www.tax.org.uk	020 7340 0551
Institute of Chartered Accountants In England and Wales	www.icaew.com	0207 920 8100
Institute of Chartered Accountants in Scotland	www.icas.org.uk	0131 347 0100
Adjudicators Office	www.adjudicatorsoffice.gov.uk	0300 057 1111
Parliamentary Ombudsman	www.ombudsman.org.uk	0345 015 4033

Financial Ombudsman	www.financial-ombudsman.org.uk	0800 023 4567
---------------------	--	---------------

DMB

0300 200 3822

HMRC

PAYE helpline – 0300 200 3300

SA helpline – 0300 200 3310

Tax Credit helpline – 0345 300 3900

VAT helpline – 0300 200 3700

UK Area Codes

[0113](#) Leeds

[0114](#) Sheffield

[0115](#) Nottingham

[0116](#) Leicester

[0117](#) Bristol

[0118](#) Reading

[01200](#) Clitheroe

[01202](#) Bournemouth

[01204](#) Bolton

[01205](#) Boston

[01206](#) Colchester

[01207](#) Consett

[01208](#) Bodmin

[01209](#) Redruth

[0121](#) Birmingham

[01223](#) Cambridge

[01224](#) Aberdeen

[01225](#) Bath

[01226](#) Barnsley

[01227](#) Canterbury

[01228](#) Carlisle

[01229](#) Barrow-in Furness / Millom

[01233](#) Ashford (Kent)

[01234](#) Bedford

[01235](#) Abingdon

[01236](#) Coatbridge

[01237](#) Bideford

[01239](#) Cardigan

[01241](#) Arbroath

[01242](#) Cheltenham

[01243](#) Chichester

[01244](#) Chester

[01245](#) Chelmsford

[01246](#) Chesterfield

[01248](#) Bangor (Gwynedd)

[01249](#) Chippenham

[01250](#) Blairgowrie

[01252](#) Aldershot

[01253](#) Blackpool

[01254](#) Blackburn

[01255](#) Clacton-on-Sea

[01256](#) Basingstoke

[01257](#) Coppull

[01258](#) Blandford

[01259](#) Alloa

[01260](#) Congleton

[01261](#) Banff

[01262](#) Bridlington

[01263](#) Cromer

[01264](#) Andover

[01267](#) Carmarthen

[01268](#) Basildon

[01269](#) Ammanford

[01270](#) Crewe

[01271](#) Barnstaple

[01273](#) Brighton

[01274](#) Bradford

[01275](#) Clevedon

[01276](#) Camberley

[01277](#) Brentwood

[01278](#) Bridgwater

[01279](#) Bishops Stortford

[01280](#) Buckingham

[01282](#) Burnley

[01283](#) Burton-on-Trent

[01284](#) Bury-St-Edmunds

[01285](#) Cirencester

[01286](#) Caernarfon

[01287](#) Guisborough

[01288](#) Bude

[01289](#) Berwick-on-Tweed

[01290](#) Cumnock

[01291](#) Chepstow

[01292](#) Ayr

[01293](#) Crawley

[01294](#) Ardrossan

[01295](#) Banbury

[01296](#) Aylesbury

[01297](#) Axminster

[01298](#) Buxton

[01299](#) Bewdley

[01300](#) Cerne Abbas

[01301](#) Arrochar

[01302](#) Doncaster

[01303](#) Folkestone

[01304](#) Dover

[01305](#) Dorchester

[01306](#) Dorking

[01307](#) Forfar

[01308](#) Bridport

[01309](#) Forres

[0131](#) Edinburgh

[01320](#) Fort Augustus

[01322](#) Dartford

[01323](#) Eastbourne

[01324](#) Falkirk

[01325](#) Darlington

[01326](#) Falmouth

[01327](#) Daventry

[01328](#) Fakenham

[01329](#) Fareham

[01330](#) Banchory

[01332](#) Derby

[01333](#) Anstruther

[01334](#) St Andrews

[01335](#) Ashbourne

[01337](#) Ladybank

[01339](#) Aboyne / Ballater

[01340](#) Craigellachie

[01341](#) Barmouth

[01342](#) East Grinstead

[01343](#) Elgin

[01344](#) Bracknell

[01346](#) Fraserburgh

[01347](#) Easingwold

[01348](#) Fishguard

[01349](#) Dingwall

[01350](#) Dunkeld

[01352](#) Mold

[01353](#) Ely

[01354](#) Chatteris

[01355](#) East Kilbride

[01356](#) Brechin

[01357](#) Strathaven

[01358](#) Ellon

[01359](#) Pakenham

[01360](#) Killearn

[01361](#) Duns

[01362](#) Dereham

[01363](#) Crediton

[01364](#) Ashburton

[01366](#) Downham Market

[01367](#) Faringdon

[01368](#) Dunbar

[01369](#) Dunoon

[01371](#) Great Dunmow

[01372](#) Esher

[01373](#) Frome

[01375](#) Grays Thurrock

[01376](#) Braintree

[01377](#) Driffield

[01379](#) Diss

[01380](#) Devizes

[01381](#) Fortrose

[01382](#) Dundee

[01383](#) Dunfermline

[01384](#) Dudley

[01386](#) Evesham

[01387](#) Dumfries

[013873](#) Langholm

[01388](#) Bishop Auckland / Stanhope

[01389](#) Dumbarton

[01392](#) Exeter

[01394](#) Felixstowe

[01395](#) Budleigh Salterton

[01397](#) Fort William

[01398](#) Dulverton

[01400](#) Honington

[01403](#) Horsham

[01404](#) Honiton

[01405](#) Goole

[01406](#) Holbeach

[01407](#) Holyhead

[01408](#) Golspie

[01409](#) Holsworthy

[0141](#) Glasgow

[01420](#) Alton

[01422](#) Halifax

[01423](#) Boroughbridge / Harrogate

[01424](#) Hastings

[01425](#) Ringwood

[01427](#) Gainsborough

[01428](#) Haslemere

[01429](#) Hartlepool

[01430](#) Market Weighton / North Cave

[01431](#) Helmsdale

[01432](#) Hereford

[01433](#) Hathersage

[01434](#) Bellingham / Haltwhistle / Hexham

[01435](#) Heathfield

[01436](#) Helensburgh

[01437](#) Clynderwen / Haverfordwest

[01438](#) Stevenage

[01439](#) Helmsley

[01440](#) Haverhill

[01442](#) Hemel Hempstead

[01443](#) Pontypridd

[01444](#) Haywards Heath

[01445](#) Gairloch

[01446](#) Barry

[01449](#) Stowmarket

[01450](#) Hawick

[01451](#) Stow-on-the-Wold

[01452](#) Gloucester

[01453](#) Dursley

[01454](#) Chipping Sodbury

[01455](#) Hinckley

[01456](#) Glenurquhart

[01457](#) Glossop

[01458](#) Glastonbury

[01460](#) Chard

[01461](#) Gretna

[01462](#) Hitchin

[01463](#) Inverness

[01464](#) Inch

[01465](#) Girvan

[01466](#) Huntly

[01467](#) Inverurie

[01469](#) Killingholme

[01470](#) Isle of Skye – Edinbane

[01471](#) Isle of Skye – Broadford

[01472](#) Grimsby

[01473](#) Ipswich

[01474](#) Gravesend

[01475](#) Greenock

[01476](#) Grantham

[01477](#) Holmes Chapel

[01478](#) Isle of Skye – Portree

[01479](#) Grantown-on-Spey

[01480](#) Huntingdon

[01481](#) Guernsey

[01482](#) Hull

[01483](#) Guildford

[01484](#) Huddersfield

[01485](#) Hunstanton

[01487](#) Warboys

[01488](#) Hungerford

[01489](#) Bishops Waltham

[01490](#) Corwen

[01491](#) Henley-on-Thames

[01492](#) Colwyn Bay

[01493](#) Great Yarmouth

[01494](#) High Wycombe

[01495](#) Pontypool

[01496](#) Islay

[01497](#) Hay-on-Wye

[01499](#) Inveraray

[01501](#) Harthill

[01502](#) Lowestoft

[01503](#) Looe

[01505](#) Johnstone

[01506](#) Bathgate

[01507](#) Alford / Louth / Horncastle

[01508](#) Brooke

[01509](#) Loughborough

[0151](#) Liverpool

[01520](#) Lochcarron

[01522](#) Lincoln

[01524](#) Lancaster

[015242](#) Hornby

[01525](#) Leighton Buzzard

[01526](#) Martin

[01527](#) Redditch

[01528](#) Laggan

[01529](#) Sleaford

[01530](#) Coalville

[01531](#) Ledbury

[01534](#) Jersey

[01535](#) Keighley

[01536](#) Kettering

[01538](#) Leek

[01539](#) Kendal

[015394](#) Hawkshead

[015395](#) Grange-Over-Sands

[015396](#) Sedbergh

[01540](#) Kingussie

[01542](#) Keith

[01543](#) Cannock

[01544](#) Kington

[01545](#)

Llanarth

[01546](#)

Lochgilphead

[01547](#)

Knighton

[01548](#)

Kingsbridge

[01549](#)

Lairg

[01550](#)

Llandoverly

[01553](#)

King's Lynn

[01554](#)

Llanelli

[01555](#)

Lanark

[01556](#)

Castle Douglas

[01557](#)

Kirkcudbright

[01558](#)

Llandeilo

[01559](#)

Llandysul

[01560](#)

Moscow

[01561](#)

Laurencekirk

[01562](#) Kidderminster

[01563](#) Kilmarnock

[01564](#) Lapworth

[01565](#) Knutsford

[01566](#) Launceston

[01567](#) Killin

[01568](#) Leominster

[01569](#) Stonehaven

[01570](#) Lampeter

[01571](#) Lochinver

[01572](#) Oakham

[01573](#) Kelso

[01575](#) Kirriemuir

[01576](#) Lockerbie

[01577](#) Kinross

[01578](#) Lauder

[01579](#) Liskeard

[01580](#) Cranbrook

[01581](#) New Luce

[01582](#) Luton

[01583](#) Carradale

[01584](#) Ludlow

[01586](#) Campbeltown

[01588](#) Bishops Castle

[01590](#) Lymington

[01591](#) Llanwrtyd Wells

[01592](#) Kirkcaldy

[01593](#) Lybster

[01594](#) Lydney

[01595](#) Lerwick, Shetland Islands

[01597](#) Llandrindod Wells

[01598](#) Lynton

[01599](#) Kyle

[01600](#) Monmouth

[01603](#) Norwich

[01604](#) Northampton

[01606](#) Northwich

[01608](#) Chipping Norton

[01609](#) Northallerton

[0161](#) Manchester

[01620](#) North Berwick

[01621](#) Maldon

[01622](#) Maidstone

[01623](#) Mansfield

[01624](#) Isle of Man

[01625](#) Macclesfield

[01626](#) Newton Abbot

[01628](#) Maidenhead

[01629](#) Matlock

[01630](#) Market Drayton

[01631](#) Oban

[01633](#) Newport

[01634](#) Medway

[01635](#) Newbury

[01636](#) Newark

[01637](#) Newquay

[01638](#) Newmarket

[01639](#) Neath

[01641](#) Strathy

[01642](#) Middlesbrough

[01643](#) Minehead

[01644](#) New Galloway

[01646](#) Milford Haven

[01647](#) Moretonhampstead

[01650](#) Cemmaes Road

[01651](#) Oldmeldrum

[01652](#) Brigg

[01653](#) Malton

[01654](#) Machynlleth

[01655](#) Maybole

[01656](#) Bridgend

[01659](#) Sanquhar

[01661](#) Prudhoe

[01663](#) New Mills

[01664](#) Melton Mowbray

[01665](#) Alnwick

[01666](#) Malmesbury

[01667](#) Nairn

[01668](#) Bamburgh

[01669](#) Rothbury

[01670](#) Morpeth

[01671](#) Newton Stewart

[01672](#) Marlborough

[01673](#) Market Rasen

[01674](#) Montrose

[01675](#) Coleshill

[01676](#) Meriden

[01677](#) Bedale

[01678](#) Bala

[01680](#) Isle of Mull – Craignure

[01681](#) Isle of Mull – Fionnphort

[01683](#) Moffat

[01684](#) Malvern

[01685](#) Merthyr Tydfil

[01686](#) Llanidloes / Newtown

[01687](#) Mallaig

[01688](#) Isle of Mull – Tobermory

[01689](#) Orpington

[01690](#) Betws-y-Coed

[01691](#) Oswestry

[01692](#) North Walsham

[01694](#) Church Stretton

[01695](#) Skelmersdale

[01697](#) Brampton (6 figure numbers)

[016973](#) Wigton

[016974](#) Raughton Head

[016977](#) Brampton (4 and 5 figure numbers)

[01698](#) Motherwell

[01700](#) Rothesay

[01702](#) Southend-on-Sea

[01704](#) Southport

[01706](#) Rochdale

[01707](#) Welwyn Garden City

[01708](#) Romford

[01709](#) Rotherham

[01720](#) Isles of Scilly

[01721](#) Peebles

[01722](#) Salisbury

[01723](#) Scarborough

[01724](#) Scunthorpe

[01725](#) Rockbourne

[01726](#) St Austell

[01727](#) St Albans

[01728](#) Saxmundham

[01729](#) Settle

[01730](#) Petersfield

[01732](#) Sevenoaks

[01733](#) Peterborough

[01736](#) Penzance

[01737](#) Redhill

[01738](#) Perth

[01740](#) Sedgefield

[01743](#) Shrewsbury

[01744](#) St Helens

[01745](#) Rhyl

[01746](#) Bridgnorth

[01747](#) Shaftesbury

[01748](#) Richmond

[01749](#) Shepton Mallet

[01750](#) Selkirk

[01751](#) Pickering

[01752](#) Plymouth

[01753](#) Slough

[01754](#) Skegness

[01756](#) Skipton

[01757](#) Selby

[01758](#) Pwllheli

[01759](#) Pocklington

[01760](#) Swaffham

[01761](#) Temple Cloud

[01763](#) Royston

[01764](#) Crieff

[01765](#) Ripon

[01766](#) Porthmadog

[01767](#) Sandy

[01768](#) Penrith

[017683](#) Appleby

[017684](#) Pooley Bridge

[017687](#) Keswick

[01769](#) South Molton

[01770](#) Isle of Arran

[01771](#) Maud

[01772](#) Preston

[01773](#) Ripley

[01775](#) Spalding

[01776](#) Stranraer

[01777](#) Retford

[01778](#) Bourne

[01779](#) Peterhead

[01780](#) Stamford

[01782](#) Stoke-on-Trent

[01784](#) Staines

[01785](#) Stafford

[01786](#) Stirling

[01787](#) Sudbury

[01788](#) Rugby

[01789](#) Stratford-upon-Avon

[01790](#) Spilsby

[01792](#) Swansea

[01793](#) Swindon

[01794](#) Romsey

[01795](#) Sittingbourne

[01796](#) Pitlochry

[01797](#) Rye

[01798](#) Pulborough

[01799](#) Saffron Walden

[01803](#) Torquay

[01805](#) Torrington

[01806](#) Sullom Voe, Shetland Islands

[01807](#) Ballindalloch

[01808](#) Tomatin

[01809](#) Tomdoun

[01821](#) Kinrossie

[01822](#) Tavistock

[01823](#) Taunton

[01824](#) Ruthin

[01825](#) Uckfield

[01827](#) Tamworth

[01828](#) Coupar Angus

[01829](#) Tarporley

[01830](#) Kirkwhelpington

[01832](#) Clopton

[01833](#) Barnard Castle

[01834](#) Narberth

[01835](#) St Boswells

[01837](#) Okehampton

[01838](#) Dalmally

[01840](#) Camelford

[01841](#) Padstow

[01842](#) Thetford

[01843](#) Thanet

[01844](#) Thame

[01845](#) Thirsk

[01847](#) Thurso / Tongue

[01848](#) Thornhill

[01851](#) Lewis and Great Bernera, Outer Hebrides

[01852](#) Kilmelford

[01854](#) Ullapool

[01855](#) Ballachulish

[01856](#) Orkney

[01857](#) Sanday

[01858](#) Market Harborough

[01859](#) Harris, Outer Hebrides

[01862](#) Tain

[01863](#) Ardgay

[01864](#) Abington

[01865](#) Oxford

[01866](#) Kilchrenan

[01869](#) Bicester

[01870](#) Benebecula, Outer Hebrides

[01871](#) Barra, Outer Hebrides

[01872](#) Truro

[01873](#) Abergavenny

[01874](#) Brecon

[01875](#) Tranent

[01876](#) North Uist, Outer Hebrides

[01877](#) Callander

[01878](#) South Uist, Outer Hebrides

[01879](#) Scarinish

[01880](#) Tarbert

[01882](#) Kinloch Rannoch

[01883](#) Caterham

[01884](#) Tiverton

[01885](#) Bromyard

[01886](#) Knightwick

[01887](#) Aberfeldy

[01888](#) Turriff

[01889](#) Rugeley

[01890](#) Ayton / Coldstream

[01892](#) Tunbridge Wells

[01895](#) Uxbridge

[01896](#) Galashiels

[01899](#) Biggar

[01900](#) Workington

[01902](#) Wolverhampton

[01903](#) Worthing

[01904](#) York

[01905](#) Worcester

[01908](#) Milton Keynes

[01909](#) Worksop

[0191](#) Tyneside / Durham / Sunderland

[01920](#) Ware

[01922](#) Walsall

[01923](#) Watford

[01924](#) Wakefield

[01925](#) Warrington

[01926](#) Warwick

[01928](#) Runcorn

[01929](#) Wareham

[01931](#) Shap

[01932](#) Weybridge

[01933](#) Wellingborough

[01934](#) Weston-Super-Mare

[01935](#) Yeovil

[01937](#) Wetherby

[01938](#) Welshpool

[01939](#) Wem

[01942](#) Wigan

[01943](#) Guiseley

[01944](#) West Heslerton

[01945](#) Wisbech

[01946](#) Whitehaven

[019467](#) Gosforth

[01947](#) Whitby

[01948](#) Whitchurch

[01949](#) Whatton

[01950](#) Sandwick, Shetland Islands

[01951](#) Colonsay

[01952](#) Telford

[01953](#) Wymondham

[01954](#) Madingley

[01955](#) Wick

[01957](#) Mid Yell, Shetland Islands

[01959](#) Westerham

[01962](#) Winchester

[01963](#) Wincanton

[01964](#) Hornsea / Patrington

[01967](#) Strontian

[01968](#) Penicuik

[01969](#) Leyburn

[01970](#) Aberystwyth

[01971](#) Scourie

[01972](#) Glenborrodale

[01974](#) Llanon

[01975](#) Alford (Aberdeen) / Strathdon

[01977](#) Pontefract

[01978](#) Wrexham

[01980](#) Amesbury

[01981](#) Wormbridge

[01982](#) Builth Wells

[01983](#) Isle of Wight

[01984](#) Watchet

[01985](#) Warminster

[01986](#) Bungay

[01987](#) Ebbsfleet

[01988](#) Wigtown

[01989](#) Ross-on-Wye

[01992](#) Lea Valley

[01993](#) Witney

[01994](#) St Clears

[01995](#) Garstang

[01997](#) Strathpeffer

[020](#) London

[023](#) Southampton / Portsmouth

[024](#) Coventry

[028](#) Northern Ireland

[029](#) Cardiff

Map of the UK

