

## Marriage Allowance

HMRC is encouraging married couples and people in civil partnerships to sign up for the Marriage Allowance tax break. Hundreds of thousands of qualifying couples still haven't done so and could be missing out if they don't claim before the end of this tax year – 5 April.

The Marriage Allowance, originally launched in 2015, offers individuals the chance to transfer part of their Personal Allowance to their husband, wife or civil partner, which could reduce their tax by up to £250 a year. For some couples, this could mean a backdated payment of up to four years of claims which could be as much as £1,188. However, it is not – at present – applicable to those who simply live together, even if they have children.

It is free to apply for the Marriage Allowance and HMRC is encouraging customers to claim directly through its online portal to ensure they receive 100% of the tax relief they are eligible for. It will usually be paid by adjusting the tax paying partner's tax code. The non-taxpaying partner will also get a new adjusted tax code for the year.

For the tax year 2020-21, the Marriage Allowance lets people earning £12,500 or less transfer up to £1,250 of their Personal Allowance to their husband, wife or civil partner – if their income is higher and they are a basic rate taxpayer. This will reduce their tax by up to £250 for the 2020-21 tax year. Claims can also be backdated to April 2016 until 5 April 2021. After 6 April 2021, couples will only be able to claim back to the 2017-18 tax year.

To apply visit [www.gov.uk/apply-marriage-allowance](https://www.gov.uk/apply-marriage-allowance). You will need your National Insurance number and your partner's. You will also need two ways to prove your identity. These can be your P60, one of your 3 most recent payslips, your passport details, information held on your credit file or details from your self-assessment tax return.

This is the quickest way to apply and you should receive an email within 24 hours to confirm your application. Marriage Allowance claims are then automatically renewed every year. However, couples should notify HMRC if their circumstances change.



We would recommend that you only apply through the GOV.uk website which, as already stated, is a free service. There are many websites that can be found through an internet search for 'Marriage Allowance' which offer to process the claim for you, but often charge for the service.

If you have any queries, please contact your accountant or the HMRC Income Tax helpline on 0330 200 3300 for advice.

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