

Do you need to complete a self-assessment tax return this year?

A change in circumstances could mean that you need to complete your first ever self-assessment tax return.

Tax is usually deducted automatically from wages and pensions; however, people and businesses with other income must report it in a tax return.

HMRC must be informed by October 5 by those who need to complete a tax return and have not sent one before.

Who needs to check?

A free online checking tool is available on GOV.UK to help those unsure if they need to complete an assessment. It can also be used by people who may no longer need to do self-assessment, including if they:

- Gave up work or retired
- Are no longer self-employed
- Earn below the minimum income thresholds

If taxpayers no longer think they need to complete a self-assessment tax return for the 2022-23 tax year, they should inform HMRC before the deadline on January 31, 2024.

Avoiding penalties

Myrtle Lloyd, HMRC's Director General for Customer Services, said: "It is important that taxpayers check if they need to complete a self-assessment tax return so they can pay the right amount of tax owed and avoid penalties for not filing a return. It is quick and easy to

check by using the interactive tool on GOV.UK – there is no need to ring us."

Who needs to complete a tax return?

Taxpayers may need to complete a tax return if they:

- Are newly self-employed and have earned more than £1,000
- Have multiple sources of income
- Have received any untaxed income, for example earning money for creating online content
- Earn more than £100,000 a year
- Earn income from property that they own and rent out
- Are a new partner in a business partnership
- Are claiming Child Benefit and they or their partner have an income above £50,000
- Receive interest from banks and building societies of more than £10,000
- Receive dividends in excess of £10,000
- Need to pay Capital Gains Tax
- Are self-employed and earn less than £1,000 but wish to pay Class 2 NICs voluntarily to protect their entitlement to State Pension and certain benefits



Taxpayers can register for self-assessment on GOV.UK, or alternatively speak to an accountant for help and advice.

Published in the Wigan Observer 5th Sept 2023.