

Are you missing out on the Marriage Allowance?

According to HMRC, couples who are married or in civil partnerships could be due a financial boost by sharing unused tax allowances.

HMRC has revealed that March is the most popular month for Marriage Allowance applications, with almost 70,000 couples applying in March last year. And with the option to backdate their claim for the previous 4 tax years, eligible couples could receive a lump-sum payment worth more than £1,000, in addition to reducing their tax bill for the 2023-24 tax year by up to £252.

The Marriage Allowance saves couples money by allowing the lower or non-earner to reduce the amount of tax their partner/spouse pays by transferring up to £1,260 of their Personal Allowance in the current tax year (2023-24).

The Marriage Allowance can be transferred to their husband, wife, or civil partner but there are restrictions on who can claim. To benefit from the tax relief, one partner must have income less than the Personal Allowance of £12,570, and the higher earning partner's income must be between £12,571 and £50,270.

If you are eligible, we suggest you make your application before the end of March to take advantage of any backdated claims you are able to make. Unfortunately, you cannot claim this

allowance if you are living together but not married or in a civil partnership.

The easiest way to claim Marriage Allowance is online via GOV.UK, although you can also claim through Self Assessment if you are already registered and send tax returns, or by filling in Marriage Allowance form MATCF and sending it to the address on the form.



It will not affect your application for Marriage Allowance if you or your partner:

- are currently receiving a pension; or
- live abroad – as long as you still qualify for a UK Personal Tax Allowance

If you or your partner were born before 6 April 1935, you might benefit more as a couple by applying for Married Couple's Allowance instead.

If you need any help or advice regarding this topic, please speak to your accountant.