

Are you an early bird?

HMRC have released figures showing that 295,250 Self Assessment tax returns were filed in the first week of the new tax year. Almost 70,000 were filed on the first day – 6 April. This seems to suggest an increasing trend for filing tax returns early. Last year, 246,210 returns were filed in the opening week.



Tax returns do not need to be filed until 31 January 2025, however filing early does bring advantages. You get more time to budget and plan for paying your tax bill as well as peace of mind from knowing an essential task has been ticked off your to-do list.

However, it is especially good if you have overpaid tax since tax refunds will be paid as soon as the return has been processed. Therefore, the earlier the tax return is filed, the earlier a refund can be received. Even if you think you will have trouble paying the bill you should still file your return as soon as possible. Fines for late payment are a lot lower than fines for late filing.

If you intend to seek professional advice, it is also far more beneficial to hand in your tax records early to give your advisor time to research and plan. Then hopefully no opportunities will be missed, and everything will be still relatively fresh in your mind if any questions are raised, rather than leaving it for another six months or so to complete.

You may need to complete a tax return for the 2023 to 2024 tax year if:

- You are self-employed with an income over £1,000.
- You received any untaxed income in the year over £2,500.
- You rent out one or more properties.
- You claim Child Benefit but you or your partner's income is above £50,000.
- You are a partner in a partnership business.
- Your taxable income from savings and investments is more than £10,000.
- Your taxable income earned from dividends is more than £10,000.
- You have paid Capital Gains Tax on assets sold for a profit above the Capital Gains threshold.

If you are new to Self Assessment and think you might need to complete a return, you can use HMRC's online tool to check your situation - www.gov.uk/check-if-you-need-tax-return