



## Do you need to complete a Self-Assessment Tax Return?

Tax returns are not just for the self-employed - there are many different reasons why you may need to complete a self-assessment tax return. Here are some of the reasons why you may need to file, and what to do if you are unsure. The figures below relate to total income received within a tax year. A tax year starts on 6<sup>th</sup> April and finishes on 5<sup>th</sup> April the following year.

You will need to file a tax return if you are:

- **Working for yourself** and your income from self-employment was more than £1,000 - anything under this amount falls within the 'trading allowance'.
- **Renting** out a property and your rental income is more than £2,500 - you will need to phone HMRC to give them the figures if you receive between £1,000 and £2,500.
- **A company director** (except for directors of a not-for-profit organisation and you did not receive any pay or benefits, like a company car or medical insurance).
- **A trustee of a trust or registered pension scheme or the executor of an estate.**
- **Living abroad and have a UK income** - this includes non-UK resident landlords.

Or if you receive:

- Income from savings and investments of more than £10,000.
- Dividend income of more than £10,000.
- Other 'untaxed income' of more than £2,500. This could be tips or commission. If the income is less than £2,500 a year you might not have to complete a tax return but it is still your responsibility to report such income by contacting HMRC.
- Taxable foreign income, even if tax was paid in the country of origin, whether or not you are resident in the UK.
- A taxable annual income of more than £100,000.
- A P800 form from HMRC showing tax due at the end of the year that cannot be collected via your PAYE income and you did not make a voluntary payment.
- Regular annual income from a trust or settlement, or income from the estate of a deceased person and further tax is due.
- Income over £50,000 (or your partner's income was over this amount) and one of you claimed child benefit.
- capital gains where:
  - You have a capital loss but your gains net of any losses are more than the annual exemption for 2021/22 of £12,300; or
  - You have no losses to claim but your gains are more than the annual exemption for 2021/22 of £12,300; or
  - You need to make any other capital gains tax claim or election for the year.
- From April 2020 new HMRC legislation requires UK residents to submit Capital Gains Tax returns, as well as paying any CGT due within 30 days of completion of the sale of residential property.

You may also need to file a tax return if you:

- Need to claim for work expenses which total £2,500 or more.
- Want to claim tax relief for donations made to charity or private pension contributions.
- Need to prove you are self-employed, for example to claim tax free childcare.
- Want to make voluntary class 2 national insurance payments to qualify for benefits.



**TAX HELP**  
FOR OLDER PEOPLE

This list is not exhaustive and HMRC may want you to complete a tax return for other reasons. If you are still not sure if you need to file a tax return please take a look at the [www.gov.uk](http://www.gov.uk) website, or you can phone HMRC on 0300 200 3310.

If HMRC have sent you a tax return or a notice to complete one, then you must fill it in and return it by the due date, which for the 2020-21 tax year is 31<sup>st</sup> October 2021 for paper returns, and 31<sup>st</sup> January 2022 for online submissions. If you do not believe that you meet any of the self-assessment criteria, you can phone HMRC and ask for the tax return to be cancelled. If HMRC agrees, this will mean that you no longer have to file a return.

If you are on a low income, you may want to consider contacting one of the tax charities for help: Tax Help for Older People, 01308 488066 or, if you are under 60 years old, TaxAid, 0345 120 3779.

This article is by Tax Help for Older People Registered Charity no 1102276 (Scotland no SC045819), offering free tax advice to older people on a low income who cannot afford professional help.