



## Don't forget your Tax Return

The deadline to file your online self-assessment tax return for 2019-20 is 31 January 2021 – and failure to do so can be very costly.

Penalties for late returns start with an initial fixed penalty of £100 – which applies even if there is no tax to pay, or if the tax due is paid on time. Beyond this, penalties increase in line with how late the tax return making it very important that you don't miss this deadline.

### Who needs to fill in a tax return?

In general, if you are self-employed, or have PAYE income but earn money from another source, you will need to complete a self-assessment return. Other earnings can include profits made from many other activities. You must also do self-assessment if either you or your partner's income is more than £50,000 and one of you claimed child benefit.

The full list of those who need to do a tax return is provided here: <https://www.gov.uk/self-assessment-tax-returns/who-must-send-a-tax-return>

### Excuses?

These penalties may be waived if you can provide a genuine and valid reason for the delay. However, this is rare and generally only granted in extreme circumstances – but this doesn't stop some people trying to avoid a fine with

an excuse. HMRC make it quite clear that your dog eating your tax return or your internet connection failing are NOT acceptable, and do encourage you to get in touch with them if you fear you may miss the deadline.

### Higher or Additional Tax Relief on Pension contributions.

You can also use your tax return to claim back any higher or additional rate tax relief you are entitled to on pension contributions you have personally made during the year in question. Remember to include any pension contributions you made in the 2019/20 tax year (6 April 2019 to 5 April 2020). If you're a 40% or 45% taxpayer, it could significantly reduce your tax bill.

Your pension provider should be able to provide you with a statement confirming the amount you have contributed. If you've already completed your return online and didn't claim your tax relief, you can log back in and amend it before 31 January.

January 31st is nearly upon us. So, if you haven't already done so – and unless you have a very good excuse - start getting your tax return ready.

If we can be of any assistance in this area, please do not hesitate to contact us.

**BEWARE: Do be aware that scammers use the 31st January tax return deadline as an opportunity to draw people in with promises of tax rebates. Always check the validity of any contact that claims to be from HMRC.**