

Completing Your Self-Assessment Tax Return – Tax Year 2015/16

This Essentials Guide has been written to provide you with an easy to understand overview of the key dates and actions in the self-assessment tax year. It explains the steps we will go through with you in preparing and submitting your tax return to HMRC. If you have any questions about the information covered please contact us for clarification on **Tel: 020 8224 2014** or **Email: info@lkassociates.co.uk**.

1. DO YOU NEED TO COMPLETE A TAX RETURN?

From 6th April onwards, after the end of the tax year, HMRC begin to send out letters requesting completion of a tax return by those that are employed and who are required to complete a tax return. Even if you have not received correspondence from HMRC, it is your responsibility to advise HMRC if you have received taxable income on which tax has yet to be paid. You should therefore register to complete a Self-Assessment if you can answer yes to any of the following:

- You are self-employed?
- You are a company director, minister of faith, Lloyd's name or member?
- Your annual income exceeds £100,000?
- You have income from savings and investments (£10,000 plus from taxed savings, £2,500 from untaxed?)
- You have income from property (£10,000 before deducting allowable expenses, £2,500 after allowable expenses?)
- You wish to claim expenses from employment of £2,500 or more?
- You wish to claim eligible relief on other outgoings (i.e. Enterprise Investment Schemes, Venture Capital Trusts?)
- You or your partner receives Child Benefit and your individual income is over £50,000?
- You receive income from overseas?
- You have income from trusts, settlements and estates?
- You have Capital Gains Tax to pay following the disposal of an asset?
- You have lived or worked abroad or aren't domiciled in the UK?
- You are a trustee of an estate or pension scheme?

To support you in this process, we can act on your behalf to confirm whether a self-assessment is required, and submit any subsequent tax returns. This would simply require us to register your wish for LK & Associates to act as your authorised agent in dealings with HMRC.

2. KEY TAX RETURN DATES

The dates shown indicate what is required and by when for the tax year 6th April 2015 to 5th April 2016.

Dates 2015/16	What's required and why?
➤ From 6 th April 2016	We recommend completing your tax return as soon as possible after the tax year has come to a close. Early submission of your self-assessment will guarantee no late submission penalty charges and enable us to complete some clear forward planning of your tax liabilities, including requests for tax refunds where applicable. Start sending us your self-assessment inputs as early as you can.
➤ From April / May 2016	Bank interest certificates should be available to you.
➤ From June / July 2016	P11Ds should be provided by employers. If you are self-employed your accounting records should be completed as close to the end of your financial year as possible.

➤ 31 st July 2016	All information required for your tax return should be available.
➤ 31 st October 2016	Please ensure we receive your tax return information in good time. November to January is an extremely busy period for us. We cannot guarantee to meet the 31st January 2017 deadline if we receive your tax return information after 31 October 2016.
➤ 31 st January 2017	HMRC must receive online tax returns and any tax owed by this date to avoid penalty charges. For example, in the tax year 2015/16 (ending on 5 th April 2016) you must pay any tax owed by 31 st January 2017 and if required by HMRC the first of two 'payments on account' for the current tax year 2016/17 (the second payment not being due until July 2017 for the 2016/17 tax year.) When your first tax return is filed HMRC may request that you pay 18 months of tax to cover the 12 months from the previous year and a further 6 months in advance for the year ahead. This will be calculated based on your previous year's tax return. Please see below for more details on how we collate your tax return information.

3. STEPS FOR COMPLETEING YOUR TAX RETURN

➤ *Providing your information to us*

We find the easiest approach for getting your tax return information to us is electronically, via email or Dropbox. Our preferred method, which we use with many of our clients, is through a free, secure, online file sharing site called Dropbox. This allows you to scan and save electronic copies of all information securely for us to access. When you first start using Dropbox we will set up a file structure in which you can organise your documents. When you have added all your information please email us to confirm your information has been submitted to allow us to start preparing your tax return. For further reading on this please see the Dropbox website: <https://www.dropbox.com/>.

If you prefer to send hardcopies you are welcome to post documentation to our office address at [12 Southville Road, Thames Ditton, Surrey, KT7 0UL](#).

➤ *Preparing your tax return*

We will apply online to HMRC to act as your agent for self-assessment. This will enable us to communicate with HMRC on your behalf and submit your tax returns online. From that point onwards we can take over all dealings with HMRC on your behalf.

➤ *Your review and approval*

Once we have completed a draft of your tax return, we will email this to you for approval. When you have given your approval we will submit the final version electronically to HMRC on your behalf. At this stage we will write to you to confirm the amount of tax you owe and with instructions on how to pay HMRC. Within a couple of weeks you will also receive an acknowledgement letter from HMRC confirming receipt of the tax return and the amount due.

➤ Making your payment

HMRC will require you to pay the balance of any tax owed by 31st January following the end of the tax year. Cleared funds will need to be with HMRC no later than this date to avoid late payment and interest charges. If HMRC calculate that you are due a repayment then this can be paid direct into your bank account.

We recommend that you either set up a Direct Debit or make an online debit or credit card payment to settle your tax liability. **It is essential that you reference your Unique Taxpayer Reference (UTR) when sending payment to HMRC.** Without this HMRC may not be able to match the payment you send to your tax liability. You can read more about the payment options on the HMRC website: <http://www.hmrc.gov.uk/payinghmrc/selfassessment.htm>

4. FURTHER RESOURCES

- For a comprehensive checklist on the information and documentation we will require from you as an input to the self-assessment preparation, please refer to our Essentials Guide entitled “Self-Assessment Tax Return – Checklist.”
- Further information on the self-assessment tax return can also be found on HMRC’s website: <http://www.hmrc.gov.uk/sa/your-tax-return.htm>