



question. what is “self assessment” and who has to do it?

Self Assessment is the process of identifying how much tax an individual has to pay to **HM Revenue and Customs**. The process identifies your income, whether it is from self-assessment of other sources, and calculates what taxes might be due to HMRC. You are **required** to complete a Self-Assessment Return even if your business makes a loss.

Generally, everyone who is self-employed or has sources of income that are **not** taxable at source (such as income from self-employment, dividends, rental properties, trusts or investments) must complete a Self-assessment tax return each year. New rules also mean that if you receive child benefit **and** either you or your partner’s income is more than £50,000, you will also have to complete a self-assessment tax return.



It is important to note that just because you have not been asked to complete a Return, or haven't received a Self Assessment Return to complete, doesn't mean you are exempt. **The onus is on you** as an individual to advise of such income and for **you** to file a return.

If you need to complete a Self Assessment Tax Return, you will need to register with HMRC.

Sole-traders, partnerships, LLPs and limited companies must notify HMRC of their existence. **This can be done online** with HMRC at **www.hmrc.gov.uk**. Once you have registered you should receive a **Unique Taxpayer Reference**.

A Self-Assessment Tax Return is required annually and relates to income for a 12 month period from 6th April to the following 5th April, known as the tax year.

At VSP Accountancy Services, we pride ourselves on being proactive, approachable accountants that care as much about your business as you do.

As a member of the Institute of Chartered Accountants in England and Wales' (ICAEW) we have the experience and knowledge to help you make the right decisions from both a tax and guidance perspective, while at the same time ensuring we take as much pressure off you as possible.

If you have any questions or concerns, please contact Vicky by calling 07745 703 730 or emailing vicky@vspaccountancyservices.com





question. when are the important dates?

Paper Returns need to be completed and returned to HMRC by 31st October each year. So for the 2016-17 tax year (ending on 5 April 2017), the deadline for the return is midnight on 31st October 2016.

If you wish to file your Return online you have until 31st January each year to do this. So for the 2016-17 tax year (ending on 5 April 2017), the deadline for the return is midnight on 31st January 2018.



question. when do I need to pay my tax?

Tax must be paid to HMRC by 31 January relating to the previous tax year. You also may be required to pay the first of two 'payments on account' on this date. Payments on account aren't always due, it is dependant on how much the tax liability is and what sort of income you receive. They are a payments towards the following years tax bill based on the liability of the previous year.

Where payments on account are due, 31st July is the deadline for making the second payment. For the 2016-17 tax year (ending on 5 April 2017), the dates for making payments on account is 31 January 2018 and 31 July 2018. It is possible to reduce your payments on account if you expect your tax liability to be less than the previous year, although care should be taken as an over-reduction will result in interest and maybe penalties.