

IMPORTANT INFORMATION ABOUT YOUR SELF-ASSESSMENT



Making Tax Digital for Income Tax – What’s Changing?

HMRC is rolling out Making Tax Digital (MTD) for Income Tax in stages:

- From April 2026:
Self-employed and landlords with income over £50,000 must keep digital records and submit quarterly updates through MTD-compatible software.
- From April 2027:
Applies to those with income over £30,000.

If your income is below £30,000, HMRC is still reviewing next steps.

Key Tax Payment Deadlines

31 January

- Balance of tax owed for the year
- PLUS your first Payment on Account (next year’s tax in advance)

31 July

- Second Payment on Account due

Missing these deadlines can lead to penalties and interest – please pay on time.

How to Pay Your Tax Bill

Option 1 – Log into your Government Gateway

You can view your balance and pay directly.

Option 2 – Pay HMRC using bank details

Bank: HMRC Cumbernauld

Sort code: 08-32-10

Account number: 12001039

Reference: Your 10-digit UTR + ‘K’ at the end
(e.g. 1234567890K)

Pay online:

<https://www.gov.uk/pay-self-assessment-tax-bill>

Keep proof of payment for your records.

Setting Up a Direct Debit

HMRC lets you set up Direct Debits through your Government Gateway.

Important notes:

- You may need two separate Direct Debits (one for each Payment on Account).
- Allow 5 working days the first time, then 3 days after that.

If You Can't Pay Your Tax Bill

Don't ignore it – contact HMRC to set up a Time to Pay arrangement.

This can spread your bill over affordable monthly payments.

Delaying may lead to:

- interest
- penalties
- collections activity

We can help you understand what you owe, but only HMRC can agree a payment plan.

Expecting a Tax Refund?

HMRC usually processes refunds within 5–10 working days, but delays happen.

Refund info:

- Refunds are normally paid via Bacs
- HMRC may carry out security checks
- If delayed, the quickest route is for you to call HMRC directly

We can explain your calculation, but HMRC won't discuss refund status with us.

Penalties for Late Filing or Payment

HMRC penalties apply if you miss deadlines:

- £100 late filing penalty if your return is up to 3 months late
- Additional penalties as lateness continues
- Late payments attract interest and may attract further penalties

If you believe you have a reasonable excuse, you can appeal – HMRC decides each case individually.

How to Avoid a Surprise Tax Bill Next Year

- Set aside 20–30% of your income for tax
- Use a separate bank account for tax money
- Keep your bookkeeping up to date monthly
- Avoid leaving your tax return until January

These tips will protect you from cashflow shocks.