

Who needs to complete a tax return?

You can see the most common reasons for needing to fill in a tax return below.

You're self-employed

You have to complete a return for each year you were self-employed (or a partner in a partnership). You need to complete a tax return even if you make a loss or if it's your final year of trading.

Example

Joe is a self-employed plumber. In September 2013 he decides to finish in business and finds employment with a local company.

As Joe ceased in business in September 2013 he still needs to complete a Self Assessment tax return for the tax year 6 April 2013 to 5 April 2014. In April or May 2014 HM Revenue & Customs (HMRC) will send him a notice to complete a tax return. Joe will need to send his tax return to HMRC by 31 January 2015. On his tax return he will need to include details of his employment and self-employment, including the date he stopped being self-employed.

If Joe's circumstances stay the same he won't need to complete tax returns in the future.

You're a company director, minister, Lloyd's name or member

You must complete a return if you're any of the following:

a company director (unless you're a director of a non-profit organisation, for example a charity, and don't receive any payments or benefits)

a minister of religion (any faith)

a name or member of Lloyd's

Your annual income is £100,000 or more

If you receive total income of £100,000 or more you'll need to complete a tax return. You may have higher or additional rate tax to pay that hasn't been collected through your tax code.

You have income from savings, investment or property

If you are an employee or a pensioner and already pay tax through a PAYE code, you can sometimes ask for tax that you owe on income, such as savings and property, to be collected through your code number. You'll need to complete a tax return instead if the income you receive is:

£10,000 or more from taxed savings and investments

£2,500 or more from untaxed savings and investments

£10,000 or more from property (before deducting allowable expenses)

£2,500 or more from property (after deducting allowable expenses)

If you don't pay tax through a PAYE code you'll need to complete a tax return if all of the following apply:

you have income to declare, for example income from savings, trusts or abroad, rental income from land or property

your total income exceeds your total allowances and reliefs

you have tax to pay on this income

Example

Raj has been renting out a property for a number of years. He has completed annual Self Assessment tax returns showing the rental income and expenses. He sold the property in May 2013.

As he sold the property in May 2013 Raj still needs to complete a tax return for the tax year 6 April 2013 to 5 April 2014. In April or May 2014 HMRC will send him a notice to complete a tax return. Raj will need to send his tax return to HMRC by 31 January 2015. On his tax return he must give details of the rental income and expenses, and the date he sold the property.

If Raj sold the property at a profit, he may have capital gains tax to pay. If so, he will need to give details of this on his tax return.

If Raj's circumstances stay the same he won't need to complete tax returns in the future.

You need to claim expenses or reliefs

If you're employed and want to claim expenses or professional subscriptions of £2,500 or more, you'll need to complete a tax return. If you want to claim expenses below this amount, you can contact HMRC.

You can only claim certain reliefs, such as Enterprise Investment Scheme relief or relief on Venture Capital Trusts, by completing a tax return.

You or your partner receive Child Benefit and your income is over £50,000

You must complete a tax return if all of the following apply:

your income is over £50,000 a year

you live with a partner and your income is higher than theirs

you or your partner are entitled to receive Child Benefit (or get an equivalent amount from someone who claims Child Benefit for a child who lives with you)

you jointly decide to keep receiving Child Benefit and pay the new tax charge

Example

Lynda and David live together with their daughter Libby. Libby was born in January 2014. Lynda receives child benefit. David works for a national distribution company and earns £55,000 a year. Lynda works part-time for a local supermarket earning £18,000 a year.

As David is earning over £50,000 and earns more than Lynda he will have to pay a tax charge. The charge is based on the amount of child benefit Lynda received. David will need to complete a Self Assessment tax return for the tax year 6 April 2013 to 5 April 2014 showing details of the child benefit received up to 5 April 2014. He must send his tax return to HMRC by 31 January 2015.

If their circumstances stay the same David will need to complete annual tax returns in the future.

Find out more about the High Income Child Benefit charge

You get income from overseas

You must complete a tax return if you have any foreign income that's liable to UK tax.

You have income from trusts, settlements and estates

You must complete a return if you receive income (or are treated as receiving income) on which tax is still due, for example from:

annual trusts or settlements

the estate of a deceased person

You have Capital Gains Tax to pay

If you have Capital Gains Tax to pay, for example you've sold, given away or otherwise disposed of an asset such as a holiday home or shares, you'll need to complete a tax return and the Capital Gains Tax pages.

You've lived or worked abroad or aren't domiciled in the UK

Residency is a complex issue. Follow the link below to find out more about your residency status, the remittance basis and what to do next.

You may need to complete a tax return if you're:

not resident in the UK

not ordinarily resident in the UK

not domiciled in the UK and claim the 'remittance basis'

dual resident of the UK and another country

You're a trustee

You'll need a tax return if you're a:

Trustee or personal representative (including someone who manages the tax affairs of a deceased person)

Trustee of certain pension schemes