

Personal tax returns

Hello! This shows the steps involved with completing your personal tax return. Here is where we declare all of your income for the tax year to the 5th April. As a director of a limited company, this is usually a requirement since we need to declare your salary and dividends.

These are the tasks that we are busy getting on with (often in the background):

This is for your Personal Tax Return.
It is for your personal income only, but is strongly linked to your limited accounts since we use the dividends, salary and other income you get from your own limited business.

👍 Your company's year isn't always the same as the tax year.

The UK tax year starts on the 6th April. So we need to start your accounts as soon as possible after this date.

🕒 Even though this is really time consuming, it is so important. For example if you need a mortgage, keeping everything up-to-date means we can act quicker, when you need it the most.

In order for us to prepare the personal tax returns, your company's Xero account needs to be up-to-date. (Even though it might not be your company's year end at this point.)
The reason we have to do this is because first we need to work out your company's tax before we can work out the dividends you can take. We always need to ensure that when we work out your dividends, you have enough profits to actually take them. If this is not done properly, it will impact on your tax payments and could cause you to take 'illegal dividends'.
It is pretty time consuming as we are effectively producing an end of year set of accounts for your company (even though our end goal is to complete your personal tax return).

👍 We already have your payroll and company dividends because we have access to Xero.

We will email you asking for any other income you have such as:

- interest
- pension income
- dividends from other companies
- property income ,
- child benefit
- student loans
- p11d - benefits
- foreign income
- any other income to be declared (maybe crypto currency gains?)

We prepare your tax return using all of the data provided.

We check HMRC for any tax payments you have made in advance.

We update your tax computation so you know the exact figures to pay.

We will email you a draft tax return and tax computation to review.

YES — Does it all look ok? — NO

We will email you a final set to be signed digitally.

Please email us with any queries or you can book a call or meeting if required.

We then submit to HMRC on your behalf and email you the signed version along with the following details:
Amount due
Date due
Reference to use when paying

👍 Your reference is your UTR which is the same each year

These are the tasks that we need you to do for us please:

Send us any income information or tax schemes you become part of as early as possible – either when it occurs or at the start of April.

If you need a mortgage, then your accounts and tax return will need to be updated and submitted to HMRC and Companies House. Here is where we ask for you support in getting this prepared so we don't become the bottleneck in purchasing your new home.

Send us back all the information we need so we can process your tax return promptly.

Let us know if you have any queries.

Please use the details below if you need to get in touch, or book an appointment with the team using this link:
<https://soaring-falcon.youcanbook.me>

Need to free up more of your time to focus on growing your business? We offer lots of additional business services, so please do get in touch with our team to discuss how we can help you balance the value of the service against the value of your time - so you can make a smart decision about which services to outsource.