



ARE YOU OUTSTANDING?

Of course you are! But unfortunately we're talking here about your Self-Assessment Tax Return. HMRC reports that about 500,000 people have yet to file their 2012/13 tax return, which is very worrying considering it is now time to file for 2013/14.

If you are struggling with your 2013/14 tax return or think you have earlier years to complete, we strongly recommend that you either contact HMRC and open up a dialogue or find yourself some professional support. The Chartered Institute of Taxation and the Association of Taxation Technicians can guide you to qualified tax advisers in your area. If you are on a low income you may want to consider a tax charity who will provide free tax advice. Tax Help for Older People and Tax Aid are the main ones. If debt is also a worry, the Citizens Advice Bureaux (CAB) may also be worth contacting.

One thing is for sure, if HMRC have asked you to file a return and the deadline for doing so has passed, penalties and interest will be added to your account until your returns are filed and the tax due is paid. It won't go away. Acting quickly will help to minimise any debt.

Some people find themselves in trouble for not completing returns when, actually, there is no need to complete them at all. A call to HMRC explaining why you don't think you should complete one can mean that the tax returns are closed and the penalties cancelled, even while you are on the phone. The most common situation that we see is where someone has ceased self-employment and they haven't told HMRC. Another is where someone is already paying the correct tax, collected via Pay As You Earn (PAYE), but the SA indicator has been incorrectly flagged on HMRC's computer.

However, if a tax return does need to be filed, ignore it at your peril! But remember, you may still have grounds to appeal against any penalties incurred as long as you file the outstanding tax returns first. An appeal must be made in writing to HMRC, normally within 30 days of the date of the decision you disagree with. For late filing this will be within 30 days of the date on the SA statement you receive after filing your return. But don't wait if you are sure you want to appeal. As soon as HMRC receive the return you can start the process.

It is wise to make sure your name and 'unique tax reference' (UTR) are clearly stated. The UTR can be found on your SA statement. Your appeal should include an explanation of why you are appealing. In this case it will be why you were not able to file your tax return or pay your tax on time. You should request that HMRC cancel the penalties. You will find however that HMRC will not remove interest charges. This is because you have enjoyed the benefit of the money.

The deadline of 31st October for filing your paper 2013/14 Tax Return is fast approaching. We always recommend keeping a copy and asking for proof of postage, just in case it goes astray and you end up with a penalty. Allow extra time this year, HMRC's Enquiry Centres closed in June and so you can no longer deliver it in person.

This article is by [Tax Help for Older People](#) (operated by registered charity no 1102276), offering free tax advice to older people on lower incomes. The Helpline number is 0845 601 3321 or 01308 488066.