M A Accounting

Chartered Certified Accountants

FREE GUIDE • TAX YEAR 2025/26

Self Assessment 2025/26 Guide

Everything you need to file your tax return on time

ONLINE FILING AND PAYMENT DEADLINE

31 January 2027

Inside: key dates • who needs to file • what you'll need • rates and allowances
payments on account • penalties • Making Tax Digital • ways to save tax

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1. Key dates for the 2025/26 tax year

The 2025/26 tax year ran from **6 April 2025 to 5 April 2026**. These are the dates that matter for this return:

Date	What happens
5 October 2026	Deadline to register for Self Assessment if you need to file for the first time (for example, you started self-employment or letting property).
31 October 2026	Deadline for paper tax returns.
30 December 2026	File online by this date if you want tax owed of under £3,000 collected through your PAYE tax code (if you're employed or get a pension).
31 January 2027	**Online filing deadline.** Also the date to pay any balance owed for 2025/26 and your first payment on account for 2026/27.
31 July 2027	Second payment on account for 2026/27, if you make payments on account.

Tip: don't leave it until January. HMRC's phone lines are busiest then, and you'll need your Government Gateway login and Unique Taxpayer Reference (UTR) to file online.

2. Do you need to file?

You usually need to file a Self Assessment tax return for 2025/26 if any of these applied to you:

- You were **self-employed** as a sole trader and earned more than £1,000 before expenses.
- You were a **partner** in a business partnership.
- You had **rental income** from property (above the £1,000 property allowance, or where HMRC has asked you to file).
- You or your partner claimed **Child Benefit** and either of you had income over £60,000 (the High Income Child Benefit Charge).
- You made **capital gains** above the £3,000 annual exempt amount, or sold assets worth more than £50,000.
- You had **untaxed income**, such as tips, commission, foreign income, or savings and dividend income above your allowances.
- HMRC has sent you a notice to file a return.

Not sure? Check on GOV.UK or ask us. We can confirm whether you need to file in a short call.

3. What you'll need

Gathering everything in one go is the quickest way to file. Use this as a checklist:

Area	Documents and information
Personal	UTR, National Insurance number, Government Gateway login, and any changes of address or circumstances.
Employment and pensions	P60, P45 (if you changed jobs), P11D for benefits in kind, and pension income statements.
Self-employment	Total income, allowable expenses, mileage records, and details of equipment bought (for capital allowances).
Property	Rents received, letting agent statements, expenses, and your mortgage interest statement.

Savings and investments	Bank and building society interest, dividend vouchers, and details of any shares, crypto or property sold.
Reliefs	Personal pension contributions, Gift Aid donations, and Marriage Allowance details.
Other	Child Benefit received, student loan details, and any foreign income.

4. Rates and allowances for 2025/26

Income Tax (England, Wales and Northern Ireland. Scotland has its own bands and rates.)

Band	Taxable income	Rate
Personal Allowance	Up to £12,570	0%
Basic rate	£12,571 to £50,270	20%
Higher rate	£50,271 to £125,140	40%
Additional rate	Over £125,140	45%

The Personal Allowance reduces by £1 for every £2 of income over £100,000, so it is lost entirely at £125,140.

Allowance or rate	2025/26
Dividend Allowance	£500. Dividends above this are taxed at 8.75% (basic), 33.75% (higher) or 39.35% (additional).
Personal Savings Allowance	£1,000 for basic-rate taxpayers, £500 for higher-rate, nil for additional-rate.
Trading and property allowances	£1,000 each, tax-free, for small amounts of trading or property income.
Capital Gains Tax	Annual exempt amount £3,000. Rates of 18% (basic) and 24% (higher and additional).
Class 4 National Insurance	6% on self-employed profits between £12,570 and £50,270, and 2% above.
Class 2 National Insurance	No longer payable. If your profits are below £6,845 you can pay voluntarily to protect your State Pension.

5. Payments on account

If your Self Assessment bill is more than £1,000, and less than 80% of your tax was collected at source (for example through PAYE), HMRC asks for two advance payments towards next year's bill. Each is half of this year's bill, due on **31 January** and **31 July**.

This often surprises people in their first year of self-employment, because the January bill can include the full 2025/26 balance plus the first payment on account for 2026/27. If your income has fallen, you can ask HMRC to reduce your payments on account.

6. Penalties for filing or paying late

When	Late filing penalty
1 day late	£100 fixed penalty, even if you owe no tax or pay on time.
3 months late	£10 a day, up to 90 days (a maximum of £900).
6 months late	A further 5% of the tax due or £300, whichever is higher.
12 months late	Another 5% of the tax due or £300, whichever is higher.

Paying late costs extra too. HMRC charges interest from the day after the deadline, and late payment penalties of 5% of the unpaid tax can apply at 30 days, 6 months and 12 months.

Missed the deadline? File as soon as you can. The daily penalties stop once your return is in, and if you had a reasonable excuse we can help you appeal.

7. Making Tax Digital for Income Tax

Making Tax Digital (MTD) for Income Tax is changing how sole traders and landlords report to HMRC. Instead of one return a year, you keep digital records and send quarterly updates using compatible software such as Xero.

From	Who it applies to
6 April 2026	Sole traders and landlords with qualifying income over £50,000
6 April 2027	Qualifying income over £30,000
6 April 2028	Qualifying income over £20,000

Qualifying income means your combined self-employment and property income before expenses. Your 2025/26 return is still filed in the usual way by 31 January 2027, but it’s worth getting set up for MTD now if you’re in scope.

8. Ways to reduce your tax bill

- **Claim every allowable expense.** Costs that are wholly and exclusively for your business, such as equipment, software, phone, travel and professional fees, reduce your taxable profit.
- **Use the right method for vehicles and working from home.** Simplified flat rates can be easier, but actual costs sometimes give a bigger deduction.
- **Pay into a pension.** Higher and additional-rate taxpayers can claim extra relief on personal pension contributions through their return.
- **Claim Gift Aid.** Higher-rate taxpayers can claim the difference between basic and higher-rate relief on charity donations.
- **Check Marriage Allowance.** If one partner earns less than the Personal Allowance, they may be able to transfer £1,260 of it to the other.
- **Keep good records.** Keep your records for at least 5 years after the 31 January deadline, in case HMRC asks to see them.

Beware of scams. HMRC will never email or text you about a tax refund or ask for bank details by message. If in doubt, don’t click: log in to your HMRC account directly or call us.

9. Let us file it for you

M A Accounting is a firm of ACCA Chartered Certified Accountants and Xero-certified advisors based in Oxford, helping individuals, sole traders, landlords and company directors across the UK.

- Fixed fees agreed upfront, with no surprises.
- We check every allowance and relief you're entitled to.
- Your return is filed accurately and on time, with a clear summary of what you owe and when.
- Year-round support with HMRC letters, payments on account and Making Tax Digital.

Book a free consultation: call **01865 819994**, WhatsApp **07555 009461**, email **info@m-a-accounting.co.uk** or visit **m-a-accounting.co.uk/services/self-assessment**.

This guide gives general information about the UK tax rules for 2025/26 as at November 2026. It is not personal tax advice, and rules can change. Please speak to us or check GOV.UK before acting on it. M A Accounting Limited, registered in England and Wales No. 08920350.