

Help us to help you

The advantages of preparing your 2020-21 tax return sooner rather than later

This alert is a request to let us have the information to complete your 2020-21 self-assessment tax return as soon as possible.

Now that we seem to be emerging from the worst aspects of COVID disruption, it is important that we can advise you of tax payments you may need to make next year – January and July 2022 – and more importantly, consider any options to reduce taxes due.

What is the 2020-21 filing deadline?

Returns need to be filed online on or before 31 January 2022.

But the sooner we can process your income and gains for 2020-21, the more time we will have to consider tax planning options and forecast your tax payments for 2022.

This might include reducing payments on account for next year if we can establish that your income for the current year, 2021-22, is likely to be lower than earnings in 2020-21.

All of this takes time.

What planning options are there for 2020-21?

Planning options might include:

- Utilising losses brought forward from previous years.
- Carrying back charitable donations.
- Reducing payments on account.

Knowing what your tax position is for 2020-21 may also allow us to estimate similar figures for 2021-22 and consider planning options that you could action before 6 April 2022. For example:

- Maximising pension contributions
- Re-considering income withdrawal options if you run your own limited company.

Help us to help you

As indicated in this alert, efforts to help you minimise your tax liabilities and give you as much time as possible to prepare and fund future tax payments, does take time. The sooner we can crunch the numbers the sooner we can provide you with useful advice.

If you are unsure what information we need, call now so we can start the ball rolling...

Higginson & Co (UK) Limitede