## Press release: Self Assessment returns: unbelievable excuses and dubious expenses

Most of our customers complete their tax returns honestly and on time but every year HM Revenue and Customs (HMRC) receives some outlandish excuses and expense claims.

Some of the most bizarre excuses HMRC received from customers who missed the Self Assessment deadline include being too short to reach the post box and having fingers too cold to type. Here are some of the strangest from the past year:

- 1. my mother-in-law is a witch and put a curse on me
- 2. I'm too short to reach the post box
- 3. I was just too busy my first maid left, my second maid stole from me, and my third maid was very slow to learn
- 4. our junior member of staff registered our client in Self Assessment by mistake because they were not wearing their glasses
- 5. my boiler had broken and my fingers were too cold to type

You can watch a YouTube video about the most bizarre excuses.

As well as unbelievable excuses, every year we also receive some dubious expenses claims for unconvincing items like woolly underwear and pet insurance for a dog. Some of the most questionable include:

- 1. a carpenter claiming £900 for a 55-inch TV and sound bar to help him price his jobs
- 2. £40 on extra woolly underwear, for 5 years
- 3. £756 for my pet dog insurance
- 4. a music subscription, so I can listen to music while I work
- 5. a family holiday to Nigeria

All these excuses and expenses were unsuccessful.

You can watch a YouTube video about dubious expense claims.

Help is available on <u>GOV.UK</u>, from the Self Assessment helpline on 0300 200 3310, and on social media.

Angela MacDonald, HMRC Director General of Customer Services, said:

We want to make it as simple as possible for our customers to do their tax returns and the majority make the effort to do theirs right and on time. But each year we still come across some poor excuses and expenses which range from problems with maids to televisions.

Help will always be provided for those who have a genuine excuse for not submitting their return on time but it's unfair to the majority of honest taxpayers when others make bogus claims.

If you think you might miss the 31 January deadline, get in touch with us now — the earlier we're contacted, the more we can help.

The deadline for sending 2017 to 2018 Self Assessment tax returns to HMRC, and paying any tax owed, is 31 January 2019.

HMRC will treat those with genuine excuses leniently, as we focus our penalties on those who persistently fail to complete their tax returns and deliberate tax evaders. The excuse must be genuine and we might ask for evidence. Those listed above were all declined on the basis that they were either untrue or not good enough reasons.

Customers who provide HMRC with a reasonable excuse before the 31 January deadline can avoid a penalty after this date.

The penalties for late tax returns are:

- an initial £100 fixed penalty, which applies even if there is no tax to pay, or if the tax due is paid on time
- after 3 months, additional daily penalties of £10 per day, up to a maximum of £900
- after 6 months, a further penalty of 5% of the tax due or £300,
   whichever is greater
- after 12 months, another 5% or £300 charge, whichever is greater

There are also additional penalties for paying late of 5% of the tax unpaid at 30 days, 6 months and 12 months.

Tax is automatically deducted from the majority of UK taxpayers' wages, pensions or savings. For people or businesses where tax is not automatically deducted, or when they may have earned additional untaxed income, they are required to complete a Self Assessment tax return each year.