



let property campaign

what you need to know...

The Let Property Campaign is a disclosure facility available for landlords to disclose rental income and capital gains that they have not told HMRC about. HMRC estimate that there could be as many as one million landlords in the UK who are not paying tax on their rental income and this resulted in the creation of the Let Property Campaign several years ago.

The Let Property Campaign is an opportunity for landlords who owe tax through letting out residential property to get up to date with their tax affairs in a simple way and have the security of knowing that their historic tax debts have been settled without the need of a formal investigation by HMRC.

Landlords who come forward voluntarily will be treated as having made an unprompted disclosure and their penalties will be reduced, but even taxpayers who receive a “nudge” letter from HMRC can still use the facility as it offers by far the best settlement terms that HMRC can offer.

The let property campaign is mainly targeted at residential landlords who have not declared rental income. This can include:

- those that have multiple properties
- landlords with single rentals
- specialist landlords with student or workforce rentals
- holiday lettings

The Let Property Campaign isn't open to those landlords who are letting out non-residential properties such as a:

- shop
- garage
- lock up

Taxpayers cannot use the Let Property Campaign if they want to disclose income on behalf of a company or a trust.

For individuals who would like to make a disclosure under this scheme, we would strongly recommend that you speak with a tax specialist such as ourselves who can provide you with expert advice. Raffingers have completed numerous submissions over the last few years and all of the cases we have dealt with have been agreed by HMRC.

Our Tax Partner Neill Staff, who is a former senior Inspector with HMRC, will be happy to arrange a meeting or telephone call with you to find out what has happened and to explain the process. The initial meeting or telephone call is free of charge and without obligation. We will then provide you with a fee quote so you can decide if you want to proceed.



Frequently Asked Questions:

Q: How long does the process take?

A: Once you have decided to make a disclosure you will need to register for the campaign which then gives you 90 days to calculate the tax interest and penalties payable. If Raffingers are acting for you then we will complete the registration for you.

Q: Will I need to pay a penalty?

A: If you owe tax that hasn't been disclosed to HMRC then the answer is yes. You will be required to pay a penalty based on a percentage of the amount of tax you owe. The range at which penalties are set depend on a number of factors including whether the tax has arisen because of your careless or deliberate behaviour. There are a wide range of factors that need to be considered including whether you have made a voluntary or prompted disclosure.

Q: I own a property jointly with my wife, do I we need to make two disclosures?

A: Yes

Q: How many years do I need to disclose?

A: Potentially up to 20 years in the case of deliberate behaviour.

Q: Will I have to pay late filing penalties because I haven't completed self assessment tax returns?

A: No. The penalties chargeable for using the campaign are based on a percentage of the tax lost. You will not be liable for any additional late filing or late payment penalties. You will, however, need to complete a current year tax return to include your rental income. Registering for the campaign does not mean you can avoid completing tax returns in the future if you still receive rental income.

Q: Is this the best way to make a disclosure and bring my affairs up to date?

A: Without a doubt yes. The whole process can be completed in a few months and Raffingers can also register you for self assessment and complete the current years tax return so you are completely up to date with your tax affairs.

Q: If I sign up for the campaign will HMRC investigate me?

A: As long as you make a full and complete disclosure about all of the rental income you have received from all of the properties that you own then it is highly unlikely that HMRC will look to investigate you. Raffingers have completed over 200 Let Property submissions and not a single case has resulted in an enquiry.

Q: Can I do the disclosure myself?

A: Yes you can, there is no requirement for an accountant to do this for you, however it isn't recommended. Firstly you will need to calculate your rental income and a specialist firm like Raffingers can make sure you claim for all allowable expenses and reliefs. You would then need to calculate the tax due each year together with the late paid interest and the correct penalty levels (which can be different each year). This can be quite a



complicated process and Raffingers are experts in preparing tax calculations and making sure you qualify for the minimum penalty.

If you would like to find out more, please get in touch with us by emailing neill.staff@raffingers.co.uk