Self Assessment Individual Exclusions for online filing - 2016/17

1. Where a personal return cannot be filed online for a reason listed below, provided that a paper return is delivered on or before 31st January following the end of the tax year to which the return relates, HMRC will accept that the taxpayer had a reasonable excuse for failing to file a paper return by the normal 31st October deadline. A reasonable excuse claim should accompany the paper return.

2. Any paper return submitted must conform to the normal rules for paper returns even if it is a computer generated paper return e.g. it must hold a valid signature.

3. Where an HMRC recommended workaround causes an online return to be submitted with an entry that is not strictly correct, HMRC will not take action on that particular entry for that reason alone provided that the inaccuracy is in accordance with the workaround and purely to facilitate online filing.

Please note the changes are listed on page 17 of the document

Unique ID	Schedule	Page	Box	Mnemonic	Issue	Workaround	Status
1	All	All	All	Early submission of Return information.	Where it is considered necessary to file a return before the end of the tax year (eg. before 6 April 2017 for a 2016/17 return).	For information	-
2	SA102MP, SA102MLA, SA102MSP, SA102WAM	All	All	N/A	It is not possible to submit a return containing any of these schedules online.	For information	-
3	Records dealt with under separate arrangements	-	-	-	Customers whose records are dealt with under separate arrangements means their unique taxpayer reference will not be recognised by the authentication system. These customers will be advised that they will not be able to file online.	For information	-
4	SA103L	LU1	LUN2	-	It is not possible to enter a negative value for losses from Accrued Income Scheme and deeply discounted securities in box LUN2. Customers who need to enter a negatve amount in this box will not be able to file online and should contact LLoyds Underwriters Unit S1278, Newcastle Upon Tyne, NE98 1ZZ for advice.	For information	-

5	SA107	T2	TRU19	-	The notes for box TRU19 advise customers who have gains on life insurance policies taxed at 22% to include them in the additional information space. However this income will not be included in the calculation. In these circumstances if the calculation shows that the notional tax will be refunded, customers will be unable to file online and should submit a paper return. See Special ID22 for workaround where there is no likelyhood of the notional tax being refunded.	For information	-
6	All	All	All	Online Amendment window	Return amendments can be submitted up to 12 months after the statutory filing date. Where a return has been issued late and legitimately filed after the 31st January the customer should have a further 12 month period to submit an amendment. However the system only allows online amendments to be submitted within 12 months of the online filing date of 31st January - amendments received before midnight on 31st January will be accepted.	Amendments made more than 12 months after the online filing date should be submitted on paper	-
7	Removed	-	Removed	-	Removed	Removed	-
8	Removed	-	Removed	-	Removed	Removed	-
9	Removed	-	Removed	-	Removed	Removed	-
10	Removed	-	Removed	-	Removed	Removed	-
11	Removed	-	Removed	-	Removed	Removed	-
12	SA110	TC 2	CAL15	-	Where a customer is due a refund because of an adjustment to an earlier year that's not been coded correctly through PAYE, it is not appropriate to include this figure in box CAL15 beacause where there is an entry in CAL14 but there is no entry in AOI14 or LUN28 or FSE 71 or FSE72 or FPS11 or SPS11 the return will fail validation.	In these circumstances a paper return should be filed if not will be reconciled in PAYE or SA for the relevant year.	-
13	Removed	-	Removed	-	Removed	Removed	-
14	Removed	-	Removed	-	Removed	Removed	-
15	Various	General	General	-	It is not possible to file online if the number of schedules exceeds the number allowed in the schema. E.g. SA102M = 50.	In these circumstances a paper return should be filed.	-
16	Removed	-	Removed	-	Removed	Removed	-
17	Removed	-	Removed	-	Removed	Removed	-

18	SA110	TC2	CAL14	-	Where there is an entry in CAL14 but there is no entry in AOI14 or LUN28 or FSE71 or FSE72 or FPS11 or SPS11, the return will fail validation.	In these circumstances a paper return should be filed. The Return should have an entry in the Additional Information Box stating the CAL14 entry is a result of Settlor income or an FTCR adjustment for overlap relief.	-
19	SA110	-	-	-	Where the taxpayer is not resident, has made payments under the Gift Aid scheme but has paid insufficient UK tax to cover the Gift Aid, the liability will not be calculated correctly.	In these circumstances a paper return should be filed.	-
20	SA107	T1	TRU12	-	Where the non resident calculation applies and the excluded income includes income from TRU12 the tax calculation will not calculate the tax due on the excluded income correctly.	In these circumstances a paper return should be filed.	-
21	Removed	-	Removed	-	Removed	Removed	-
22	SA103F SA103S	SEF4 SES2	FSE79 FSE74 SSE34 SSE29	-	The validation rules on FSE79 & SSE34 are incorrect where terminal losses are entered as losses brought forward from earlier years set off against this years profits in FSE74 & SSE29.	In these circumstances a paper return should be filed.	-
23	SA104F SA104S	FP2 SP2 SP1	FPS23 FPS17 SPS23 SPS17	-	The validation rules on FPS23 & SPS23 are incorrect where terminal losses are entered as losses brought forward from earlier years set off against this years profits in FPS17 & SPS17.	In these circumstances a paper return should be filed.	-
24	Removed	-	Removed	-	Removed	Removed	-
25	Removed	-	Removed	-	Removed	Removed	-
26	Removed	-	Removed	-	Removed	Removed	-
27	Removed	-	Removed	-	Removed	Removed	-
28	Removed	-	Removed	-	Removed	Removed	-

29	Removed	-	Removed	-	Removed	Removed	-
30	Removed	-	Removed	-	Removed	Removed	-
31	Removed	-	Removed	-	Removed	Removed	-
32	Removed	-	Removed	-	Removed	Removed	-
33	Removed	-	Removed	-	Removed	Removed	-
34	SA103F SA104S SA104F	SEF4 SP1 FP1	FSE72 SPS11 FPS11	Averaging adjustment – only for farmers, market gardeners and creators of literary or artistic works where loss set against same trade in same year. Loss should not be capped.	Losses used against profit of the same trade are not capped. This includes losses where the profit is 'created' by an averaging claim. To the extent that the loss is used against other income, the capping rules will apply. Boxes FSE78 SPS22 & FPS22 'Loss from this tax year set off against other income for 2015-16' are correctly capped. There is no box to set the loss against the same trade. That is because Averaging Adjustment cases create a unique situation where there can be a loss and a profit for the same trade in the same year .	In these circumstances a paper return should be filed.	
35	Removed	-	Removed	-	Removed	Removed	-
36	SA105	UKP2	PRO42	Property business losses are subject to the cap where set off against total income, but not to the extent that those losses brought forward represent BPRAs.	The amount for box PRO42 will be restricted to the greater of £50,000 or 25% of the individual's adjusted total income but not to the extent that those losses represent business premises renovation allowance BPRA for the Return year in box PRO33. Where there are BPRA included in the losses brought forward from a previous year and set off against Total Income in box PRO42 it is not possible to indicate if any of the loss brought forward in PRO42 relates to BPRA. The restriction should not apply to the BPRA part of the Losses in PRO42.	In these circumstances a paper return should be filed.	BPRA is due to end on 5th April 17 so this should not affect 17-18 onwards
37	Removed	-	Removed	-	Removed	Removed	-
38	Removed	-	Removed	-	Removed	Removed	-
39	Removed	-	Removed	-	Removed	Removed	-
40	Removed	-	Removed	-	Removed	Removed	-
41	Removed	-	Removed	-	Removed	Removed	-
42	Removed	-	Removed	-	Removed	Removed	-
43	Removed	-	Removed	-	Removed	Removed	-
44	Removed	-	Removed	-	Removed	Removed	-
45	Removed	-	Removed	-	Removed	Removed	-

46	SA103L SA103S SA103F SA104S SA104F SA110	TC1	CAL4.1 pseudo Class 2 box pseudo Class 1 boc	Share Fishermen with Class 1 NICable earnings that reduce amount of Class 2/Class 4 due. The Reg100 Class 4 calculation uses 'ordinary' Class 2 max rather than the share fisherman amount. The Class 4 amount may be less than it should be.	The Reg100 Class 4 calculation uses Class 2 max amount of 53 x £2.80 (£148.40), and where they are a Share Fisherman the amount should be 53 x £3.45 (£182.85). As a result the Class 4 amount may be less than it should be by £27.43.	In these circumstances a paper return should be filed.	-
47	Residency: SA109 disregarded income not in calculation SA100	Residency: RR1 disregarded income not in calculation TR3	Residency: NRD1 disregarded income not in calculation INC17	**Non-UK residents completing Return box INC17 which contains an element of 'disregarded income' will not have that income identified in the calculation as disregarded income and it is being taxed.** For a non-UK resident (NRD1=Y) the s811 calculation is applied (limit on liability to income tax of non-UK residents) but the type of income disregarded by virtue of s825 and s826 ITA 2007 is entered in box 17 'Other taxable income, box 17 includes different types of income, not just those included in s825 and s826 and it is not included in stage 91. As a result the calculation may identify the incorrect lower amount for s811 non-UK resident calculation.	Non-residents are generally liable to UK tax on all their UK income but can make a claim under s811 ITA 2007 to limit the amount of UK tax they pay on certain (disregarded) income if it's more beneficial for them. If income disregarded by virtue of s825 and s826 (e.g. patent/royalty payments, and distributions from unauthorised unit trusts etc.), is entered in box 17, it will not be included as disregarded income in the S811 calculation at stage 91. So if the customer is non-UK resident, the s811 calculation applies, and they have disregarded income entered in box 17 the calculation of tax due may be incorrect. An example would be Other income (INC17) £13,000 - all for patent paid to customer. NRD1 = Y. Tax calculated as £13,000 x 20% = £2,600. But this is disregarded income and the £13,000 should be excluded from the calculation so income tax due = £0.00 and customer is £2,600 overpaid. A fix would require a change to the Return and calculation e.g. new box 'INC17a' to show disregarded income in INC17. This will be considered. **The amount of any overpayment will depend on the amount of the disregarded income.**	In these circumstances a paper return should be filed together with your s811 calculation (working sheet in HS300)	-

48	Total Profit SA103S, SA103F, SA103L, SA104S, SA104F; minus NIC adjustments SA103F, SA103L, SA104S, SA104F Non-UK Resident SA109	Total Profit SES2, SEF4, LU4, SP1, FP1; minus NIC adjustments SEF5, LU4, SP2, FP2; Non-UK Resident RR1.	Total Profit SSE31, FSE76, LUN52, SPS20, FPS20 minus NIC adjustments FSE102, LUN65, SPS27, FPS27, Non-UK Resident NRD1	**Non-UK resident with profit liable to UK tax and Class 4.** For a non-UK resident whose profits after adjustments are chargeable in the UK and above the Class 4 lower profit limit (£8,060) the calculation at stage 16 sets c16.13 to c16.31 to nil and will not calculate Class 4 even if the Class 4 exemption boxes are not ticked.	The SA calculator is incorrectly automatically exempting any customers from Class 4 if they have indicated that they are Non-UK Resident (by ticking box NRD1) even if they haven’t claimed the exemption by ticking the relevant box to state that they are exempt from Class 4. This is because boxes c16.13 to c16.31 are set to zero. Where the profit chargeable in the UK would have been above the Class 4 NIC_LEL at c16.13 the result is the customer will not have Class 4 in the calculation.	In these circumstances a paper return should be filed	Planned fix for 17/18
49	SA108	CG1	CGT18	**At the start of stage 18 the If statement for calculating Capital Gains Tax (CGT) should include reference to 'Attributed gains where personal losses' (CGT18).** As a result, if the CGT calculation is not triggered for the specified reasons but there is liability to CGT on attributed gains (box CGT18) the Capital Gains liability will not be in the calculation.	At the start of stage 18 the If statement "If boxes ((CGT6 + CGT17 + CGT26 + CGT34) minus (CGT7 + CGT19 + CGT27 + CGT35) + CGT9 + CGT52 is greater than zero) or (box CGT51 is not zero or null) Calculate c18.1 to c18.58" for calculating CGT should include reference to CGT18. Where a customer has an attributed gain on which personal losses cannot be offset (CGT18) but no other capital gains to implement the CGT calculation, this condition is not satisfied and the Capital Gains calculation to include the attributed gain is not completed. **The amount of underpayment will depend on the amount of 'Attributed gains where personal losses' (CGT18) is in excess of Annual Exempt Amount. But if If there are no other Gains but the Attributed Gains are more than the Capital Gains annual exempt amount of £11,100 the customer will be liable to additional tax.**	In these circumstances a paper return should be filed	Planned fix for 17/18

50	Gains from life policies income: SA101 SA106 Non-savings, savings & dividend income: various Lump sum: SA101	Gains from life policies income: AI1 F6 Non-savings, savings & dividend income: various	Gains from life policies income: AOI4 FOR43 FOR45 Non-savings, savings & dividend income: various	**BR_band extended incorrectly for customers with Gains from life policies of more than reliefs and allowances + extended BR_band (usually £43,000)** where non-savings-non-dividend income (c5.3) is less than reliefs and allowances (c5.2) AND savings income (c5.11) less than SR_band £5,000 then the BR_band is extended by £1 for every £1 of non-savings and savings income up to a maximum of the amount in HR_band/£1,000. If non-savings-non-dividend income is more than or equal to reliefs and allowances then Exclusion 51 will also apply and reduce SR_band; If there is dividend income the dividend nil rate may take up some of BR_band because the dividend income is applied before the life insurance gains. But the maximum amount the BR_band is extended of £5,000 still applies: After deducting reliefs and allowances from income, Gains from life policies (c5.82) is £32,000 or more AND income on which tax due within extended BR_band (c8.1 + c8.7 + c8.9 + c8.11 + c8.17 + 8.19) is more than extended BR_band (c5.2 usually £32,000). Then the income for Gains from life policies in BR_band is being extended up to a maximum of SR_band £5,000, and reducing amount in HR_band, resulting in an underpayment. The Top Slicing Relief calculation will also be affected because it is using the higher rate tax due.	For customers with Chargeable Event Gains CEG and total income above extended BR_band there is up to an additional £5,000 of income in BR_band instead of HR_band. This is identifiable on the SA302 tax calculation where the amount of income at Savings rate, Nil rate and Basic rate is more than the basic rate band (£32,000 unless stated otherwise). Examples would be: 1. State Pension (INC8) £9,000 and Gains on life insurance policies etc. (AOI4) of £50,000 minus PA £11,000 = £48,000 then Gains are incorrectly £5,000 in SR_band, £500 in SNil_band & £31,500 in BR_band (£37,000) with only £11,000 in HR_band. Tax due £7,400 + £4,400 = £11800. Should be £5,000 in SR_band, £500 in SNil_band & £26,500 in BR_band (£32,000) with £16,000 in HR_band. Tax due £6,400 + £6,400 = £12,800. There would be an overpayment of £1,000. 2. Employment (INC1) £11,000, Dividends (INC4) £21,000 & Gains on life insurance policies etc. (AOI4) £46,000 minus PA £11,000 = £71,000 will have incorrectly Gains income of £500 in Nil_band, £15,500 in BR_band and Dividend income of £5,000 in Nil_band, £16,000 in BR_band (£37,000) with Gains of £34,000 in HR_band. Tax due £7,400 + £13,600 = £21,000. Should be £500 in Nil_band, £10,500 in BR_band and Dividend income of £5,000 in Nil_band, £16,000 in BR_band (£32,000) with Gains of £39,000 in HR_band. Tax due £6,400 + £15,600 = £22,000. There would be an overpayment of £1,000. **The customer is liable to additional tax of up to £1,000.**	In these circumstances a paper return should be filed	Planned fix for 17/18

51	Non-savings income: various Savings income: SA100 SA101 SA104S SA104F SA106 SA107	Non-savings income: various Savings income: TR3 AI1 SP2 FP2 FP4 F3 T2	Non-savings income: various Savings income: INC1 INC2 INC3 AOI6 AOI8 AOI13 SPS28 FPS35 FPS73 FOR4 TRU4 TRU8 TRU11 TRU14 TRU17	**SR_band not allocated to savings for customers who have non-savings-non-dividend income between £1 and amount of relief and allowances + SR_band (usually £16,000) AND** **Non-savings + savings income more than extended basic rate band (usually £32,000 which will mean savings income more than £16,000):** Customers who have non-savings-non-dividend income (c1.57) more than £0 and less than Relief and allowances (c5.1) + SR_band (usually £16,000) AND Non-savings + savings income (c1.57 + c2.19) more than extended basic rate band (c5.2 (usually £32,000)) Then SR_band not in calculation up to maximum of £5,000. [Where the customer's non-savings and savings income is less than relief and allowances + extended BR_band (usually £43,000) they are not affected where non-savings and savings income in excess of extended basic rate band (usually £32,000) is less than or equal to relief and allowances minus non-savings amount. So if income is £42,000 then non-savings income of less than £1,000 will not affect calculation]. This is identifiable where the amount in the calculation at the Starting rate line is less than the amount expected - non-savings income (c1.57) is less than (Reliefs and allowances + SR_band) with savings income expected to be starting rate included in another band. In the calculation the SR_band amount in c8.7 is less than the lower of a and b (up to max of SR_band (£5,000)) a. savings income (c5.78) and b. (allowances and deductions (c5.1) + SR_band) minus (non-savings (c5.3) + lump sum (c5.7) income). Note also that customers with total income of £122,000 or more will have PA reduced to nil and so if there are no other reliefs or allowances they will not be affected.	The calculation for the Savings Starting Rate Band SSR for savings income at stage 6 expects the amount at c6.1 for non-savings income to have had all allowances and deductions (usually PA £11,000) from c5.1 deducted in stage 5. Where some of the PA is set against savings or dividend income the SSR available for savings income at c6.12 will be incorrect. This is identifiable on the SA302 tax calculation where the amount of pay, pension, profit etc is less than £16,000 and there is savings income at or above Basic rate and no amount of savings in Starting rate. Examples would be: 1. customer with pension (INC11) of £12,000 and savings interest (INC2) of £20,001 should have SSR of £4,000 but it will be incorrectly calculated as £3,999. There would be an underpayment of £0.20. 2. pension (INC11) of £12,000 with savings interest (INC2) of £23,999 then SSR incorrectly calculated as £1 rather than £4,000 and tax due is £4,799.60 rather than £3,999.80. There would be an underpayment of £799.80. [Examples of customers not affected is 1. non-savings e.g. Pension (INC8) £10,000 (and PA £11,000) with taxed interest (INC2) £22,100 (income recieved £32,100) will not be affected. This is because non-savings and savings income £32,100 has £100 in HR_band which is less than or equal to PA minus £10,000. 2. Pension (INC8) £10,450 and interest (INC2) £22,100 (income received £32,550) will not be affected because the amount of £550 in HR_band is less than or equal to PA minus £10,450 = £550]. Note that because relief for losses brought forward are incorrectly being set against all income rather than income from which they arise that customers with losses brought forward will be affected by this scenario. See Exclusion 58. **The customer will have been overcharged tax of up to £1,000.**	In these circumstances a paper return should be filed	Planned fix for 17/18

52	Dividend income: SA100 SA101 SA104F SA106 SA107	Dividend income: TR3 Ai1 FP4 F3 T1 T2	Dividend income: INC4 INC5 INC6 AOI12 AOI13 FPS70 FOR6 FOR11 TRU5 TRU9 TRU12 TRU18	**The Basic rate band is extended incorrectly for Dividends of more than £118,000 where customer is liable to additional rate tax with income which is more than extended BR_band (c5.2) + HR_band £118,000 (usually £150,000).** If Additional rate taxpayer (c5.86 more than extended BR_band (c5.2) + HR_band £118,000 (usually (£150,000)) with dividend income (c3.15) more than HR_band £118,000 AND Non-savings + savings income (c1.57 + c2.19) is less than extended basic rate band (c5.2) (usually £32,000). Then the dividend income is pushed up into the additional rate by the amount of the £5,000 dividend allowance.	For customers liable to additional rate tax and dividend income in excess of Dividend Allowance and takes up all of HR_band (usually £32,001 - £118,000), stage 6 of the tax calculation incorrectly pushes dividend income in excess of the dividend allowance into the additional rate band from the higher rate band. This is identifiable on the SA302 tax calculation where the amount of income taxable at Higher rate is £113,000. Example would be: 1. employment income (EMP1) £11,000 and dividends (INC4) £140,000. Employment £11,000 x 20%, Dividends £5,000 x 0%, £16,000 x 7.5% & (incorrectly) £113,000 x 32.5% & £6,000 x 38.1% when should be £118,000 x 32.5% and £1,000 x 38.1%. **The customer will have been overcharged tax of up to £280**.	Those customers affected by this issue should file a paper return.	Planned fix for 17/18
53	SA103L	LU1	LUN9 LUN10	**Lloyds Underwriters** whose accounts period includes dates before 6 April 2016 who complete LUN9 and LUN10 for 'other dividends and distributions from UK companies' and 'tax credits on all other dividends and qualifying distributions from UK companies' will see an amount for the tax credit in the SA302 calculation but it is not deducted from income tax due. Dividend tax credit was abolished from 6 April 2016 but Lloyds Underwriters will be entitled to claim dividend tax credit for dividends paid prior to 6 April.	LUN9 and LUN10 are calculated at stage 10 and for previous years this was deducted from the amount at stage 12. For 2016-17 this is incorrectly no longer deducted from c12.1. As a result, the amount is shown in the SA302 calculation but it is not included in the calculation at stage 12 and is not deducted from income tax due. **Maximum amount overcharged will be amount of dividend tax credit shown in calculation.**	In these circumstances a paper return should be filed	Planned fix for 17/18
54	SA101	AI2	AOR9	**Relief claimed on a qualifying distribution on the redemption of bonus shares or securities at AOR9** was incorrectly removed from the calculation. Dividend tax credits are abolished for 2016-17 onwards. Tax rules under which a person was treated as having paid tax at the dividend ordinary rate on an amount that was chargeable to tax as if it were a distribution made to them were also abolished. This applied to Non-qualifying distribution. However this relief still applies.	The figure in Box AOR9 (Relief claimed on a qualifying distribution on redemption of bonus shares or securities) is not included in the calculation from stage 23 because the amount from AOR9 is no longer transferred to c9.29 and, as a result, relief will not be given. **The customer will have been overcharged tax by up to the amount of the relief due.**	In these circumstances a paper return should be filed	Planned fix for 17/18

55	Lump sum: SA101	Lump sum: Ai2	Lump sum: ASE5	**BR_band extended incorrectly for Lump Sum payments where non-savings and savings income £nil** **AND** **total income more than extended BR_band (usually £32,000):** After deducting allowances and deductions, Lump Sum payment (c6.35) £1 or more AND income on which tax due within extended BR_band (c8.1 + c8.7 + c8.9 + c8.11 + c8.17 + 8.19) is more than extended BR_band (c5.2 usually £32,000). Then the income for Lump Sum BR_band is being extended up to a maximum of SR_band £5,000, reducing amount in HR_band, resulting in an underpayment. If there is dividend income the dividend nil rate may take up some of BR_band but the maximum amount the BR_band is extended of £5,000 still applies.	For customers with redundancy, other lump sums and compensation payments and total income above extended BR_band there is up to an additional £5,000 of income in BR_band instead of HR_band. This is identifiable on the SA302 tax calculation where the amount of savings income at SR_band, Nil_band and BR_band is displayed. Examples would be: 1. Lump Sum (ASE5) of £60,000 minus loss set against other income (SSE33) £5,000 minus PA £11,000 = £44,000 then Lump Sum is incorrectly £37,000 in BR_band with only £7,000 in HR_band. Tax due £7,400 + £2,800 = £10,200. Should be £32,000 in BR_band with £12,000 in HR_band. Tax due £6,400 + £4,800 = £11,200. There would be an overpayment of £1,000. 2. customer with a lump sum excess of £12,000 and dividends of £40,000 would have BR incorrectly extended by £1,000 so £1,000 income is taxed at BR rather than HR. There would be an overpayment of £200. 3. customer with a lump sum excess of £12,000 and savings of £20,000 and dividends of £20,000 would have BR incorrectly extended by £1,000 so £1,000 income is taxed at BR rather than HR. There would be an overpayment of £200. **The customer will be liable to additional tax of up to £1,000.**	In these circumstances a paper return should be filed	Planned fix for 17/18

56	Savings income: SA100 SA101 SA104S SA104F SA106 SA107	Savings income: TR3 AI1 SP2 FP2 FP4 F3 T2	Savings income: INC1 INC2 INC3 AOI6 AOI8 AOI13 SPS28 FPS35 FPS73 FOR4 TRU4 TRU8 TRU11 TRU14 TRU17	**The amount of up to £500 Personal Savings Allowance is not allocated where the customer is liable to additional rate tax but, after reliefs and allowances (note there will be no PA), the customer is liable at higher rate. There must be non-savings income or lump sum payment of more than £150,000 + amount for extending basic rate band (c4.59>£0) taking up all the basic and higher rate bands. Note that the relief will be set against the savings income to reduce it to an amount below £500 where the amount of savings income in AHR_rate is less than relief minus non-savings + lump sum and that amount is more than savings income minus PSA_HR £500.** Where customer has Savings income (c2.19) of more than £0 AND non savings income and lump sum payments (c1.57 + c1.58) more than extended BR_band (c5.2) + HR_band £118,000 (usually (£150,000)) If , after deducting allowances and deductions (c5.1), the customer is no longer taxable at additional rate the Personal Savings Allowance PSA_HR £500 is not allocated (c4.79 = £500 but c6.17 less than lower of savings income amount and £500) .	In stage 5 it does not correctly calculate the amount of Personal Savings Allowance where the customer is liable to additional rate tax but, after reliefs and allowances (note there will be no PA), the customer is liable at higher rate. As a HR taxpayer the customer is entitled to PSA of £500 but in these circumstances the PSA is incorrectly calculated as £0. This is identifiable on the SA302 tax calculation where the amount of taxable income is less than £150,000 and expected amount of PSA nil rate of up to £500 is shown as £0 or an amount lower than the savings or PSA amount.. An example would be: 1. a customer with interest (INC2) £2,000 Total taxable profits (FSE76) of £153,854, Taxable profit for the year (PRO40) £18,292 minus income tax relief (SPS22) £13,154 = income on which tax is due £160,992. Tax at additional rate would be due but where the basic rate limit is increased by Gift Aid (REL5) £13,750 (£11,000 net) to £45,750 there is no additional rate liability. PSA_HR of £500 is due but incorrectly not given. 2. employment income (EMP1) £149,790 with taxed interest (INC2) £1,000 (income received £150,790) will be affected.. PSA_HR of £500 is due but incorrectly only £420 given. This is because £580 of the relief is set against the savings income. [An example of customers not affected is 1. employment income (EMP1) £150,000 with taxed interest (INC2) £2,100 (income received £152,100) Gift Aid (REL5) £2,500 (£2,000 net) will not be affected. This is because the non-savings income is not taking up all of higher rate band and so the savings income is in higher rate band and PSA_HR of £500 allocated.] **The customer will have been overcharged tax of up to £200.**	In these circumstances a paper return should be filed	Planned fix for 17/18

57	Residency: SA109 Dividend income: SA100 SA101 SA104F SA106 SA108	Residency: RR1 Dividend income: TR3 Ai1 FP4 F3 T1 T3	Residency: NRD1 Dividend income: INC4 INC5 INC6 AOI12 AOI13 FPS70 FOR6 FOR11 TRU5 TRU9 TRU12 TRU18	A non-UK resident (NRD1 = Y) with UK dividend income (c3.14) will not receive credit for dividend tax as part of s811 calculation to identify maximum tax payable. The amount used in the calculation may be incorrect. If the completion of HS300ws, which should include the disregarded dividend income and tax credit, indicates that the amount at A26 in the HS300ws is less than the amount in SA110 Notes A328 but the calculation is using a larger amount a paper return should be filed.	The rule in ITTOIA 2005, s399, whereby a non-UK resident is treated as having paid (non-repayable) tax at the dividend ordinary rate on the amount or value of the dividend, is retained, but without the grossing up of the dividend by reference to the dividend ordinary rate. Note that this only applies to dividends received by non-UK residents. A non-UK resident is generally liable to UK tax on all of their UK income but Section 811 ITA 2007 limits the amount of UK tax they pay on certain types of UK income (referred to as ‘disregarded income’). UK dividend income is disregarded income. To apply s811 ITA the total tax liability following the steps at s23 ITA is calculated and then the limit on the total liability of Amount A tax withheld from disregarded income + Amount B tax calculated on non-disregarded income is calculated and the lesser amount is applied. **As a result we are investigating if the calculation identifies the correct tax due for all non-UK residents with UK dividend income.**	**For information only until more clarity is provided.** In these circumstances a paper return should be filed together with your S811 calculation (working sheet in HS300)	Planned fix for 17/18

58	Relief and Allowances - Losses brought forward: SA103S SA103F SA103L SA104S SA104F SA105 SA106	Relief and Allowances - Losses brought forward: SES2 SEF4 LU4 SP1 FP1 FP2 FP3 FP8 UKP1 UKP2 F4	Relief and Allowances - Losses brought forward: SSE29 FSE74 LUN51 SPS17 FPS17 FPS38 FPS47 FPS58 PRO14 PRO39 FOR26	**Carry forward trade loss relief, foreign trades etc reliefs and carry forward property loss relief can only be set off against profits arising from the same trade.** Carry forward loss (c4.5 + c4.7 + c4.13 + c4.19 + c4.27 + c4.28 + c4.33 + c4.35 more than £0) should be set against profit from same source (c1.57) rather than deduct the relief in the way which will result in the greatest reduction in the taxpayer's liability to income tax. The loss brought forward is incorrectly being included in reliefs and allowances (c5.1) rather than being deducted from the profit (c5.3). See s25(2) and (3) ITA 2007.	The loss brought forward should be set against profit from the same source. Where this is not deducted from profit this may give rise to one of the Exclusions and the most beneficial calculation may not be calculated. This is identifiable on the SA302 tax calculation where the profit amount(s) minus carried forward losses included in income tax relief amount are less than the amount of pay, pension, profit etc. Example would be: 1. Loss brought forward set against this year's profit (SSE29) £7,000 and net business profit (SSE31) £4,000 with untaxed interest (INC2) £50,000, UK Dividend income (INC4) £100,000, (Total income £161,000) and Gift Aid (REL5) £800. After £7,000 relief deducted income on which tax due = £154,000. The profit before loss brought forward is £11,000 and the relief of £7,000 is incorrectly being set as £0 against profit and £11,000 against savings income. Income tax due £46,043 when it would have been more beneficial if relief was set against profit to give net profit of £4,000. Tax due would be £45,843. Customer overpaid by £200.00 because of Exclusion 51 - the SR_band is not being allocated as £1,000. **It would appear that there is no under/overpayment as a direct result of this error but it will mean more customers are affected by Exclusion 51.**	For information only	Planned fix for 17/18

59	Relief and Allowances: SA100 SA101 SA103S SA103F SA103L SA104S SA104F SA105 SA106 SA108.	Relief and Allowances: TR4, Ai2, SES2 SEF4 LU5 SP1 SP2 FP1 FP2 FP3 FP8 UKP1 UKP2 F4 CG2.	Relief and Allowances: REL13 AOR5 AOR6 SSE29 SSE33 FSE74 FSE78 LUN51 LUN56 SPS17 SPS22 FPS17 FPS22 FPS38 FPS39 FPS47 FPS58 PRO14 PRO39 PRO42 FOR26 FOR31 CGT41 CGT42.	**The amount of Relief/Allowances in the calculation are being increased and reducing amounts in income components by more than they should. The customer has income which is more than extended BR_band (c5.2) + HR_band £118,000 (usually £150,000) and has Relief/Allowance AND Dividend income is more than £5,000.** Relief/Allowance more than £0 reduces income (c5.86) which is more than extended BR_band (c5.2) + HR_band £118,000 (usually £150,000). AND Dividend income (c3.15) is more than £5,000. The same amount of Relief/Allowances is being set against both income in the Additional rate and in the Higher rate. This is identifiable where Reliefs and allowances at c5.1 are less than those at c5.67 to c5.70. The component parts are not adding up to the total because reliefs and allowances (c5.1) are being calculated incorrectly at c5.57 and c5.58. As a result some of the reliefs and allowances are being used more than once. In addition, allowances and deductions are being set against Dividends in AHR (c5.48) when it would be more beneficial to set against non-savings income.	The amount of pay, savings and dividend components will add up to less than the total income on which tax has been charged. [With income > £150,000 there will be no PA and this will be customers with loss relief etc.] This is identifiable on the SA302 tax calculation where the income in the components do not add up to the amount in the total. Example would be: 1. net business profit (SSE31) £11,000 and loss set against income (SPS22) £7,000 with UK Dividend income (INC4) £140,000. £11,000 + £140,000 = £151,000 minus £7,000 = £144,000. The components are Pay £5,000 + Div_nil £5,000 + Div_BR £22,000 + Div_HR £110,000 = £142,000 rather than £144,000. Tax due = £38,400 when should be £38,925. Tax on £2,000 in savings income component is omitted and customer is underpaid by £400 & setting £1,000 relief against pay would reduce tax by £200 but only increase tax on dividends by £75 (net £125). Customer is underpaid by £525.00. **The customer will be liable to additional tax. The amount of underpayment depends on amount of relief and allowances.**	In these circumstances a paper return should be filed	Planned fix for 17/18

60	SA108	CGT1 CGT2	CGT3, CGT6 & CGT7 CGT14, CGT17 & CGT19 CGT23, CGT26 & CGT27 CGT31, CGT34 & CGT35	**A customer who is required to complete a Capital Gains page will not be able to do so if the net gain/loss is £0.** Where a customer is required to complete the CGT pages but the computation results in no gain/no loss, the current validation requires that if there is an entry at box CGT3, CGT14, CGT23 OR CGT31, there must be an entry in the either the gain or loss box for that section (e.g. CGT6 or CGT7, CGT17 or CGT19, CGT26 or CGT27, CHT34 or CGT35) but does not allow a zero.	A customer will be unable to file on-line if they need to report no gain/no loss on a disposal, are within Self-Assessment and required to complete a CGT page because they: · sold/disposed of chargeable assets worth more than £44,400 or · are not domiciled in the UK & claiming the remittance basis or · sold/disposed of whole/part of interest in a UK residential property when either non-resident or UK resident with the disposal in the overseas part of a split year and, · the result of their computation is neither a chargeable gain or allowable loss Example would be: Property bought for £76,000 with allowable fees of £2,000 = £78,000 allowable costs (CGT5 and/or CGT16) Property sold for £82,000 with £4,000 allowable fees/costs = £78,000 disposal proceeds (CGT4 and/or CGT15)	In these circumstances a paper return should be filed	Planned fix for 17/18
61	SA110 SA103F	TC2 SEF4	CAL15 FSE72	**A customer who has a negative entry in box FSE72 Averaging adjustment (only for farmers, market gardeners and creators of literary or artistic works) will not be able claim an adjustment at CAL15.** Where a customer is making an adjustment to decrease tax for an earlier year because of a claim to farmers averaging, the current validation requires a positive entry at box FSE72 but an entry in CAL15 could be appropriate when FSE72 is either a positive or a negative amount.	A customer will not be able to file on-line if they: • want to make an adjustment at box CAL15 to decrease their tax for 2016-17, calculated by reference to an earlier year, because they are claiming farmers averaging adjustment at box FSE72 and • the figure in FSE72 is a negative value because the adjustment needs to be taken off the profit figure.	In these circumstances a paper return should be filed	Planned fix for 17/18

62	SA107	T 2	TRU18 TRU21	**Trusts with an accounts period covering pre 6 April 2016 that have had dividend income will not have the tax credit set against income tax.** The SA107 Trusts page Notes advise that if any dividend income is received by the estate before 6 April 2016, but isn't paid until after 5 April 2016, a 7.5% tax credit against any tax is due on these dividends. The 7.5% tax credit is not repayable in the event that there is no tax liability for the year. If a tax credit cannot be set against tax due make a note of the amount(s) in box 25, Additional information. If the tax credit can be set against tax due this will not be given in the calculation.	A customer will not be able to file on-line if they: • have an accounts period for their Trusts income that starts before 6 April 2016 and • received dividend income prior to 6 April 2016and have a non-repayable tax credit and • they want the SA tax calculation to set that tax credit against other income	In these circumstances a paper return should be filed	-

Changes Log

v4.0 19/06/17

Changes from v3.0 to v4.0 - 11/04/17

Unique ID - 2016/17	Notes
ID47	updated
ID48	updated
ID49	updated
ID50	updated
ID51	updated
ID52	updated
ID53	updated
ID54	updated
ID55	updated
ID56	updated
ID57	updated
ID58	New
ID59	New
ID60	New
ID61	New
ID62	New

v3.0 11/04/17

Changes from v2.0 to v3.0 - 17/03/17

Unique ID - 2016/17	Notes
ID47	updated
ID48	updated
ID49	updated
ID50	updated
ID51	updated
ID52	updated
ID53	updated
ID54	updated

ID55	New entry
ID56	New entry
ID57	New entry

v2.0 17/03/17

Changes from v1.0 to v2.0 - 19/12/16

Unique ID - 2016/17	**Notes**
ID47	New entry - carried forward from 2015/16
ID48	New entry
ID49	New entry
ID50	New entry
ID51	New entry
ID52	New entry
ID53	New entry
ID54	New entry

v1.0 19/12/16

Changes from v4.0 - 13/07/16

Unique ID - 2016/17	**Notes**
ID1	Year Changed
ID4	Address included for Lloyds Underwriters Unit
ID8	Fixed for 16/17
ID12	Issue and workaround re worded
ID16	Fixed for 16/17
ID17	Fixed for 16/17
ID25	Fixed for 16/17
ID28	Fixed for 16/17
ID35	Fixed for 16/17
ID36	status comment added
ID37	Fixed for 16/17
ID38	Fixed for 16/17
ID39	Fixed for 16/17
ID40	Fixed for 16/17
ID41	Fixed for 16/17
ID42	Fixed for 16/17
ID43	Fixed for 16/17
ID44	Fixed for 16/17

ID45	Fixed for 16/17