

## Contacts

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Use the following notes to help you complete the *Additional information* pages. You may also need helpsheets which go into much greater detail. Go to [hmrc.gov.uk/selfassessmentforms](http://hmrc.gov.uk/selfassessmentforms) or phone the Self Assessment Orderline.

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## Other UK income

### Interest from gilt-edged and other UK securities, deeply discounted securities and accrued income profits

#### Boxes 1 to 3

If you have interest from:

- government stocks (gilt-edged securities or gilts)
  - bonds, loan notes or similar securities issued by UK companies, local authorities or bodies in the
- enter the interest in boxes 1 to 3 as appropriate.

You can choose to receive your interest from Government stocks (gilt-edged securities or gilts) with or without tax taken off. If your gilt interest is untaxed, enter the amount received in box 3 and leave blank boxes 1 and 2. If your gilt interest is taxed, fill in all three boxes.

#### ***The Accrued Income Scheme***

Accrued income securities include all interest-bearing securities, including permanent interest-bearing shares (PIBS) in a building society, Government loan stock and company loan stock, but not shares in a company or National Savings & Investments certificates. If you have to make Accrued Income Scheme adjustments to any interest you receive (not just gilt interest), enter the interest and tax taken off in boxes 1, 2 and 3.

You will have to work out profits or losses for securities you have bought, sold or transferred if the next interest payment after your purchase or sale etc. fell between 6 April 2013 and 5 April 2014. No profit arises and no loss is made for 2013–14 if the nominal value of all accrued income securities held at any time in 2013–14 or 2012–13 did not exceed £5,000. Securities that you hold in a Personal Equity Plan (PEP) or Individual Savings Account (ISA) do not count towards this limit.

You will make a **profit** if you purchased securities without accrued interest (ex-dividend) or sold securities with the accrued interest (cum-dividend). The amount of the profit will be the adjustment for the accrued interest not received, that is, the amount by which the purchase price was reduced (purchase ex-dividend) or the sale price was increased (sale cum-dividend).

You will make a **loss** if you purchased securities with accrued interest (cum-dividend) or sold securities retaining the right to the next interest payment (ex-dividend). The amount of the loss will be the adjustment for the amount of the extra interest received, that is, the amount by which the purchase price was increased (purchase cum-dividend) or the sale price was decreased (sale ex-dividend).

The contract note for the purchase or sale of the securities will, in most cases, show the amount of accrued interest. If it does not, or if you have received or transferred securities other than through a market sale (for example, as a gift), please contact us.

You can usually combine the profits and losses to produce a net figure. Where the profits exceed the losses add the total net amount to the interest figure in box 3. Where the losses exceed the profits, take off the excess from the ‘gross’ interest received from the kind of security and enter the reduced amount of interest in box 3.

If the result is a negative figure enter ‘0’ in box 3. You should carry forward the excess loss and set it against future profits arising. Do not change boxes 1 and 2. If the interest on the securities is paid without tax taken off, reflect the profits and losses in box 3.

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Helpsheet 343 *Accrued Income Scheme* explains in more detail how to work out accrued income profits and losses, when special rules apply, and how to get more information.

### ***Deeply discounted securities***

If you invest in these products, the return on your investment is made up of a discount or premium payable on redemption. This discount or premium is the difference between the bond's price and the value at redemption.

If you are not sure whether you hold such investments, please contact us. No tax is taken off the discount or premium before you receive it, so in box 3 enter the difference between what you paid for the bond and what you get when you redeem or sell it.

If you hold gilt strips there is a tax charge on the discount each year even if you do not dispose of the securities. The discount charge is worked out by comparing the published market value of the strips at 5 April 2014 with that for 2013 (or with the price you paid if you bought them during the year).

You cannot claim for any loss on gilt strips. For other deeply discounted securities you can only claim a loss if you have held the security since 26 March 2003 and on or at any time before that date it was listed on a recognised stock exchange. Relief for losses on deeply discounted securities and certain other reliefs are limited by the limit on Income Tax reliefs.

For more information about the limit on Income Tax reliefs, read Helpsheet 204 *Limit on Income Tax reliefs*.

### ***Disguised interest***

If you receive an interest-like amount from financial products or arrangements, it will be taxable under new rules for 'disguised interest' if it is not taxed under other rules.

An amount will be 'interest-like' if it is comparable to a commercial rate of interest and it is clear that this will be the case when you invest in the product or enter into the arrangement.

The new rules apply to products you invest in and arrangements you enter into from 6 April 2013 onwards.

## **Life insurance gains**

### **Boxes 4 to 7**

If you have received a certificate (a 'chargeable event' certificate) from:

- a UK insurance company
- a UK friendly society
- trustees of a trust you have set up or contributed to telling you about a chargeable event gain made in connection with a life insurance policy, capital redemption policy or life annuity, fill in boxes 4 to 7. If you own the policy or annuity jointly, only enter your share of the gain.

UK insurers are required by law to issue a certificate if they know a gain has been made. We may also have received a copy of the certificate. In some cases, the insurer may have sent you more than one certificate relating to a particular gain, with the later certificate showing a revised figure of benefits paid or amount of chargeable event gain. In this case, you should enter the details on that later certificate.

For all events other than sales or assignments, the certificate will show:

- details of the policy
- the type of event and the date it occurred. If there is one date, make sure it falls in the year ended 5 April 2014. If there are two dates, make sure the later one falls in the year ended 5 April 2014
- the number of years since you took out the policy, or since the last event
- the amount of the gain, and
- whether tax is treated as paid on the gain and, if so, how much.

If tax has been treated as paid, enter in boxes 4 and 5 details of the gains and the number of years. If tax has not been treated as paid, enter the details in boxes 6 and 7.

You will need Helpsheet 320 *Gains on UK life insurance policies* if:

- you own the policy with others
- the gain arose as a result of an assignment (including one that took place as part of a settlement on divorce or separation)
- you have purchased a qualifying policy, sometimes known as a ‘traded endowment policy’, from a third party
- you have been non-UK resident during the period of your beneficial ownership of the policy
- on or after 21 March 2007 you paid premiums exceeding £100,000 in total into a policy or policies in a tax year and you received a rebate of commission for those premiums or commission which was reinvested in the policy as additional premium, or
- your circumstances are not covered by these notes.

You may have made a gain even if you have not received a certificate, in which case you will also need Helpsheet 320 *Gains on UK life insurance policies*.

For example, if your insurer:

- has sent the certificate to someone else, perhaps to trustees or a lender to whom your policy was assigned or given as security for your debt
- does not have your current address
- is not aware of changes in the ownership of the policy
- does not know that the insured has died, or
- does not know that you have sold or reassigned all or part of a policy for consideration.

If you have a cluster of identical policies with the same insurer, all gains made at the same time may be reported on the same certificate. If the insurer has given you separate certificates but the gains are identical, add them together. If you have a cluster of policies with the same insurer where any of them are issued on particular terms, so that, for example, only one policy can be surrendered for more than the premiums paid, then you need to refer to Helpsheet 320.

If you have made gains from several, non-identical policies then enter the total amount of the chargeable event gains in box 4 where tax has been treated as paid, and in box 6 where tax has not been treated as paid.

Do not use boxes 5 or 7. Instead, provide the following details in the ‘Additional information’ box, box 21 on page Ai 4.

- A description of each policy or cluster.
- The amount of the gains.
- The number of complete years.
- Whether tax has been treated as paid.

Not all payments from, or assignments of, life insurance policies or other insurance contracts give rise to gains. If you have made withdrawals from a UK policy, or have received cash or other benefits following a death, maturity or surrender, but you have not received a certificate (and the

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circumstances set out above do not apply), there is no gain to enter in boxes 4 to 7. This is most likely to be the case where you have:

- received a payment under a mortgage endowment policy or a friendly society tax-exempt savings policy which has run for 10 years or more, or
  - received a payment under a policy for which you paid a single premium and the payment you have received is less than 5% of the premium (any tax due on the payment will be deferred until the policy ends), or
  - given all or part of the policy to someone else and received nothing in return.
- You should include chargeable event gains from foreign policies on the *Foreign* pages of your tax return. If you are not sure whether your policy is foreign, please check with your insurer. Helpsheet 321 *Gains on foreign life insurance policies* gives more guidance.

### **Boxes 8 to 10 *Gains from voided ISAs***

Where an ISA including a life policy is made void, for example, following an invalid subscription, you will be given a chargeable event certificate from the ISA manager or the life insurance company; use it to complete boxes 8 to 10.

If you have made gains from several, non-identical policies held in voided ISAs, then enter the total amount of the chargeable event gains in box 8. Enter any tax taken off these gains in box 10. Do not use boxes 9 or 11. Instead, provide the following details in the ‘Additional information’ box, box 21 on page Ai 4.

- A description of each policy or cluster.
- The amount of the gains.
- The number of complete years.
- Whether tax has been treated as paid.

### **Box 11 *Deficiency relief***

This relief may be due if a life insurance policy, capital redemption policy or life annuity came to an end in the year to 5 April 2014 and:

- you have made one or more chargeable event gains in a previous tax year(s), because you have made part withdrawals or part assignments of an amount higher than 5% of the premium, and
- you pay tax at the higher rate(s).

You will need Helpsheet 320 *Gains on UK life insurance policies* or Helpsheet 321 *Gains on foreign life insurance policies* to work out the amount, if any, to enter in box 11.

### **Stock dividends, non-qualifying distributions and loans written off**

#### **Box 12 *Stock dividends***

If you took up an offer of shares instead of receiving a cash dividend, this is a stock dividend. The company should have provided a dividend statement showing ‘the appropriate amount in cash’ or ‘the cash equivalent of the share capital’. Enter this figure in box 12. Do not include the amount of Income Tax treated as paid. If you need help with this, please contact us.

#### **Box 13 *Non-qualifying distributions and close company loans written off or released***

A non-qualifying distribution is:

- a bonus issue of securities or redeemable shares (unless the issue gives rise to a qualifying distribution, which would be included in the dividends boxes on your tax return), or
- the paying on of such a bonus issue from a company that received it.

The amount of the distribution you need to enter in box 13 is:

- in the case of an issue of a bonus security, the amount of the principal secured plus any premium payable on redemption
- the nominal value of redeemable shares plus any premium payable on redemption minus any new consideration given for that bonus issue.

If you pay tax at the higher rate(s), tax will be due on the box 13 income. Credit will be given for dividend ordinary rate tax treated as paid.

### ***Close company loans written off or released***

Where a loan or advance, made by a close company to a participant or associate, is wholly or partly written off or released, the amount written off or released, plus an amount of tax treated as paid, becomes part of your income. If you pay tax at the higher rate(s) you will have more tax to pay on this income. Multiply the amount released or written off by  $\frac{1}{9}$ , add that figure to the amount released or written off and enter the total in box 13. If you need help with this, please contact us.

## **Business receipts taxed as income of an earlier year**

### **Boxes 14 and 15**

In box 14, enter any post-cessation or other business receipts (that is, received after your business has ceased) to be taxed as income of an earlier year. Enter that tax year in box 15, for example, 2012–13.

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## **Share schemes**

### ***Box 1 Share schemes – the taxable amount***

The notes and Working Sheets that follow will help you to work out the taxable amount on the exercise of share options, or on shares you get free or cheaply, because of your employment or other taxable events for employment-related securities. You only need to complete the share schemes box, box 1 on page Ai 2 if:

- your employer has not taken off tax from the whole of the taxable amount, or
- your employer tells you that the valuation used to arrive at the taxable amount for PAYE, was lower than it should have been. You should enter the taxable amount, which has not had tax deducted due to this difference, in Share schemes box 1.

The amount that has already had tax taken off is dealt with as below.

- You do not complete the share scheme box for taxable amounts which your employer has fully taxed. Normally these amounts are already included in your P60 (or, where you have left employment, P45) which are included in the *Employment* pages.
- Exceptionally, if you receive a taxable amount from the exercise of options, or for employment-related securities after you have been given your P45, you will get a separate notification of the taxable amount and tax taken off from your employer. You should include these amounts in the *Employment* pages.

If you have entered into a formal National Insurance contributions (NICs) election to meet employer's NICs due on the exercise of an option or on the acquisition of certain types of shares, you can deduct the employer's NICs you have paid in calculating the tax due. If you have entered into a NICs agreement instead, you can only deduct the NICs you paid to your employer before 5 June following the tax year in which the relevant share transaction occurred.

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If you are subject to the remittance basis for income from employment-related securities ('securities income'), your employer may have taken off tax from only a part of the securities income. The rules are complex. You should refer to the *Residence, remittance basis etc. notes* and the International section of our Employment-Related Securities Manual (ERSM) for guidance. Go to [hmrc.gov.uk/manualsa-z](http://hmrc.gov.uk/manualsa-z)

We may check the details used by your employer to calculate the taxable amount and tax due and, if an error is discovered, you may have to pay more tax.

Fill in a Working Sheet for each taxable event and put the total figure (excluding any amount included on the *Employment* pages) in box 1. Please keep the Working Sheets in case we ask to see them.

Employment-related securities are securities you acquired because of your employment, when your employer (or someone connected to your employer) gave you (or another person) an opportunity to acquire them. The most commonly provided securities are:

- shares in a company (wherever incorporated) or in an unincorporated body constituted under the law of a country or territory outside the UK
- debentures, loan stock, bonds and other debt instruments.

There are other types of securities. If you need more information, refer to the Employment-Related Securities Manual (ERSM). Go to [hmrc.gov.uk/manualsa-z](http://hmrc.gov.uk/manualsa-z) or contact us.

You can get information to help you work out the taxable amount to enter in box 1 from the Working Sheets and notes that follow.

You will need supporting information, such as option certificates and exercise notices, from the company whose securities are involved. Your employer may also be able to help.

## Approved share schemes

### ***Approved share incentive plan***

You will be chargeable to tax (use Working Sheet 1) if the shares you bought, or were awarded, cease to be subject to the plan within five years of their purchase or award. For dividend shares, see the separate section on page AiN 8.

The amount chargeable to Income Tax depends on how long the shares were held in the plan. If the shares were held in the plan for:

- less than three years, the taxable amount is equal to their market value on the date they cease to be subject to the plan
- at least three, but less than five years, the taxable amount is the market value of the shares when they ceased to be subject to the plan or, if lower, their market value at the date they were awarded or bought for you.

You will not be chargeable to tax if your shares cease to be subject to the plan because you ceased employment for one of the following reasons.

- Injury or disability.
- Redundancy.
- A change of employment under the Transfer of Undertakings (Protection of Employment) Regulations 2006.
- A change in the control or sale of the company you work for out of the group.
- Retirement.
- Death.

If the shares are subject to forfeiture, there is no charge to Income Tax when they become forfeit.

Complete Working Sheet 1 for each taxable event.

### Working Sheet 1

Name of company and share plan and class of shares

DD MM YYYY

Date shares ceased to be subject to the plan

Market value when the shares ceased to be subject to the plan,  
or if lower, market value at the date of the award

1 £

Number of shares

2

Taxable amount *box 1 x box 2*

3 £

Amount taxed under PAYE

4 £

Taxable amount to go in box 1 on page Ai 2 *box 3 minus box 4*

5 £

### Dividend shares

For dividend shares (shares bought with dividends arising on other shares within the plan and reinvested in the approved plan) you will be chargeable to tax if they cease to be subject to the plan within three years of their purchase. If dividend shares cease to be subject to the plan:

- within three years of acquisition, and
- for a reason that is not one listed above

you should include the amount of the dividend used to buy the shares in box 3, in the dividend boxes, on page TR 3 of your tax return for the year the shares cease being part of the plan.

### Approved Company Share Option Plan (CSOP)

You will not be taxable on the grant of an option. You will not be chargeable to Income Tax if you exercise your options at a time when the scheme remains approved and:

- the exercise occurs between three and ten years from the date of grant, or
- where the plan rules allow, you cease employment within three years of the date of grant and you exercise within six months of the date ceased for one of the following reasons
  - injury or disability
  - redundancy
  - retirement, or
- where the plan rules allow, you exercise your option within three years of the date of grant because
  - your employment is transferred under the TUPE regulations
  - you wish to accept a cash takeover offer for the shares, subject to certain conditions (the scheme organiser will advise you if this applies)
  - your employer has been sold or transferred out of the group.

The exercise of an option in all other circumstances will be chargeable to Income Tax (use Working Sheet 2). If you have not exercised your option but have received something for giving it up or not exercising it, read 'Assignment or release of an option' on page AiN 12 of these notes and complete Working Sheet 6.

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## Working Sheet 2

Name of company, share scheme and class of shares

Number of shares bought on exercise

1

DD	MM	YYYY
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Date the option was granted

<input type="text"/>					
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Date the option was exercised

<input type="text"/>					
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Exercise price - option price for each share

2 £

Amount, if any, paid for grant of the option

3 £

Market value of each share at the date the option was exercised

4 £

Total market value of shares bought *box 4 x box 1*

5 £

Total price paid *box 2 x box 1*

6 £

Profit on the option exercised *box 5 minus box 6 minus box 3*

7 £

Employer's NICs you paid on exercise of the option

8 £

Taxable amount *box 7 minus box 8*

9 £

Amount taxed under PAYE

10 £

Taxable amount to go in box 1 *box 9 minus box 10*

11 £

### **Approved Savings Related Share Schemes (SRS) or Save As You Earn (SAYE)**

You will not be taxable on the grant of an option. You will not be chargeable to Income Tax if you exercise your option within six months of completing your three, five or seven<sup>1</sup> years savings contract.

You will only be chargeable to Income Tax if you are allowed by the scheme rules to exercise your options within three years of the date of grant and the company you work for has been sold or is taken over in certain circumstances. This is normally the case only when the shareholders are offered shares or other assets (with or without cash) in return for their existing shares but the scheme organiser will advise you if this applies. You need to complete Working Sheet 3.

If you have not exercised your option but have received something for giving it up or not exercising it, read 'Assignment or release of an option' on page AiN 12 and complete Working Sheet 6.

Any interest or bonus you receive under the savings contract is not taxable.

<sup>1</sup> The seven year savings feature was abolished with effect from 23 July 2013 (the revised prospectus date) so this applies to existing seven year savings contracts.

### Working Sheet 3

Name of company, share scheme and class of shares

DD MM YYYY

<input type="text"/>							
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Date the option was granted

<input type="text"/>							
----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

Date the option was exercised

Number of shares

1

Market value at the date of exercise

2 £

Total market value of shares bought *box 2 x box 1*

3 £

Exercise price - option price for each share

4 £

Total price paid *box 4 x box 1*

5 £

Taxable amount to go in box 1 *box 3 minus box 5*

6 £

### ***Enterprise Management Incentives (EMI)***

If you have exercised an EMI option which was granted at a discount, complete Working Sheet 4 to work out the taxable amount.

If the market value of the shares at the date of exercise was less than the market value at the date of the grant, the taxable amount is restricted to the difference between the market value at the date of exercise and the amount paid for the shares, minus any employer's NICs you paid.

If you have exercised an EMI option more than 40 days (changed to 90 days from 17 July 2013) after a disqualifying event, and the shares have risen in value since the disqualifying event, complete Working Sheet 5 to work out the taxable amount. If the entry at item 8 on Working Sheet 5 is '0' do not complete the rest of the Working Sheet, there is no tax to pay on the exercise.

If you have exercised a discounted EMI option more than 40 days (changed to 90 days from 17 July 2013) after a disqualifying event, complete Working Sheets 4 and 5. Then add together the amount in box 15 on Working Sheet 4 and the amount in box 12 on Working Sheet 5 to work out the taxable amount you need to enter in box 1 of the 'Shares schemes' section on page Ai 2.

If you have not exercised your EMI option but have received something for giving it up or not exercising it, read 'Assignment or release of an option' on page AiN 12 and complete Working Sheet 6.

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## Working Sheet 4

Name of company, unique option reference and class of shares

Number of shares acquired on exercise

1

Market value of each share at the date the option was granted

2 £

Total market value, at date of grant, of shares bought  
box 2 x box 1

3 £

Amount, if any, paid for the grant of the option

4 £

Market value of each share at date the option was exercised

5 £

Total market value, at date of exercise, of shares bought  
box 5 x box 1

6 £

Exercise price of each share

7 £

Total price paid for shares box 7 x box 1

8 £

Profit by reference to market value at the date of grant  
(if no profit, enter '0') box 3 minus box 4 minus box 8

9 £

Profit by reference to market value at the date of exercise  
(if no profit, enter '0') box 6 minus box 4 minus box 8

10 £

Lesser of boxes 9 and 10

11 £

Employer's NICs you paid on exercise of the option

12 £

Taxable amount box 11 minus box 12

13 £

Amount taxed under PAYE

14 £

Taxable amount to go in box 1 box 13 minus box 14

15 £

## Working Sheet 5

Name of company, unique option reference and class of shares

Number of shares acquired on exercise

1

Market value of each share at the date of the disqualifying event

2 £

Total market value of shares at the time of the disqualifying event  
*box 2 x box 1*

3 £

Market value of each share at the date the option was exercised

4 £

Total market value, at the date of exercise, of shares bought  
*box 4 x box 1*

5 £

Increase in value of shares between disqualifying event and exercise  
*box 5 minus box 3*

6 £

Amount, if any, paid for the grant of the option

7 £

Profit by reference to market value at the date of exercise  
(if no profit, enter '0') *box 6 minus box 7*

8 £

Employer's NICs you paid on exercise of the option

9 £

Taxable amount *box 8 minus box 9*

10 £

Amount taxed under PAYE

11 £

Taxable amount to go in box 1 *box 10 minus box 11*

12 £

## All securities options (including approved schemes)

### ***Assignment or release of an option***

If you receive something in return for assigning, releasing or not exercising your option, or for any other reason, you will have to pay Income Tax on the cash or value you receive, unless you release your option in exchange for another option. Complete Working Sheet 6.

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## **Working Sheet 6**

Name of company and share scheme or unique option reference and class of shares

DD	MM	YYYY
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Date the option was granted

<input type="text"/>							
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Amount received - money or value

1	£	<input type="text"/>
---	---	----------------------

Amount, if any, paid for the grant of the option

2	£	<input type="text"/>
---	---	----------------------

Amount, if any, subject to Income Tax on the grant of the option

3	£	<input type="text"/>
---	---	----------------------

Gain made in connection with the option

*box 1 minus box 2 minus box 3*

4	£	<input type="text"/>
---	---	----------------------

Employer's NICs you paid on exercise of the option

5	£	<input type="text"/>
---	---	----------------------

Taxable amount *box 4 minus box 5*

6	£	<input type="text"/>
---	---	----------------------

Amount taxed under PAYE

7	£	<input type="text"/>
---	---	----------------------

Taxable amount to go in box 1 *box 6 minus box 7*

8	£	<input type="text"/>
---	---	----------------------

## **Unapproved securities options (including share options)**

If the option was not granted under a scheme approved by us, and it was not a qualifying EMI option you may be taxable on the exercise of the option.

### ***Exercise of a securities option***

You will be taxed on the difference between the market value of the securities at the time you exercised the option and the amount you paid for the securities (including the cost, if any, of the option). Complete Working Sheet 7. If you do not have to exercise the option to acquire the securities (because exercise occurs automatically either due to the passage of time or some other condition is met) you still have to fill in Working Sheet 7 as if you had exercised the option.

## Working Sheet 7

Name of company and securities scheme and class of security

<i>DD</i>	<i>MM</i>	<i>YYYY</i>	<input type="text"/>						
-----------	-----------	-------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

Date the option was granted

<input type="text"/>							
----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

Date the option was exercised

<input type="text"/>							
----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

Market value of security at the date the option was exercised

1	£	<input type="text"/>
---	---	----------------------

Number of securities

2	<input type="text"/>
---	----------------------

Total market value of securities *box 1 x box 2*

3	£	<input type="text"/>
---	---	----------------------

Exercise price of each option of each security

4	£	<input type="text"/>
---	---	----------------------

Total price paid for the employment-related securities *box 4 x box 2*

5	£	<input type="text"/>
---	---	----------------------

Amount, if any, paid for the grant of the option

6	£	<input type="text"/>
---	---	----------------------

Amount, if any, subject to Income Tax on the grant

7	£	<input type="text"/>
---	---	----------------------

Gain made on the option exercise

*box 3 minus (box 5 + box 6 + box 7)*

8	£	<input type="text"/>
---	---	----------------------

Employer's NICs you paid

9	£	<input type="text"/>
---	---	----------------------

Taxable amount *box 8 minus box 9*

10	£	<input type="text"/>
----	---	----------------------

Amount taxed under PAYE

11	£	<input type="text"/>
----	---	----------------------

Taxable amount to go in box 1 *box 10 minus box 11*

12	£	<input type="text"/>
----	---	----------------------

## Acquisition of securities as benefits, post cessation and other charges

Helpsheet 305 *Employee shares and securities – further guidance* provides guidance where:

- you acquire securities for less than their market value, or
  - you dispose of these securities, or
  - the amount outstanding on partly paid securities is released or written off, or
  - you receive free or cheap securities by reason of your employment or from your employer
- and in relation to
- shares subject to a risk of forfeiture, or
  - restricted securities, or
  - convertible securities that carry an immediate or potential right to be converted into securities of a different description, or

## Contacts

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- securities where the market value is artificially enhanced, or
- securities where the market value is artificially reduced, or
- the disposal of securities for more than their market value, or
- the receipt of special benefits from holding securities.

---

## Employment lump sums, compensation and deductions, certain post-employment income and patent royalty payments

### Boxes 3 to 10

These notes will help you work out what figures to put in boxes 3 to 10 if you have received certain large payments (usually in cash and excluding pensions) or benefits from your employer or former employer.

### Third party arrangements

Please note that you should also use box 3 to enter income arising after the end of your employment that is covered by the third party arrangements or ‘disguised remuneration’ rules. There are detailed conditions about income taxable under these rules. Ask your tax adviser for more information.

As for other income in boxes 3 to 10, your former employer may have taken PAYE tax off some or all of the income. If you have not included that tax in box 2 of the *Employment* page of your tax return, enter it in box 6.

### Other payments in boxes 3 to 10

Such payments may occur:

- in connection with the termination of your job (whether agreed or paid before, on or after the termination)
- when your terms of employment change
- in anticipation of retirement or on or after retirement or death – if made from an Employer Financed Retirement Benefits Scheme (EFRBS) (that is, a scheme providing benefits which include retirement and death benefits, it is usually set up by your employer but not registered by us)
- when you receive payments or other consideration for a restrictive covenant.

If all you have is a redundancy payment up to £30,000 against which your employer has allowed an exemption, just fill in box 9 with the amount of the payment. For example, if you received a redundancy payment of £10,000 it would be covered by the £30,000 exemption so leave box 5 blank and enter £10,000 in box 9. If your redundancy payment is more than the £30,000 exemption limit, enter the amount over the limit in box 5, the tax taken off in box 6 and the £30,000 limit in box 9.

If your payment was £40,000 you would enter £10,000 in box 5, the tax taken off in box 6 and £30,000 in box 9.

If the payment was less straightforward, read through these notes before you start to fill in the boxes in the Working Sheet or transfer information to boxes 3 to 10. If you need more help, please contact us or speak to your tax adviser.

## Working Sheet 8

Start by working out the total due to you in the year to 5 April 2014 before any tax was taken off the payments. If any non-cash benefits were provided you will have to work out their cash value or equivalent. If you need help with this look at Chapter 27 in booklet 480 *Expenses and benefits – a tax guide*, which you can download from [hmrc.gov.uk/guidance/480.pdf](http://hmrc.gov.uk/guidance/480.pdf) or refer to the guidance in the Employment Income Manual at [hmrc.gov.uk/manuals-a-z](http://hmrc.gov.uk/manuals-a-z) (references to the EIM are given in brackets below), or contact us.

Exclude from this total any:

- payments from HM Revenue & Customs registered pension schemes
- payments from foreign government retirement benefit schemes
- benefits (other than relevant benefits from an EFRBS, see the note for box C) received or provided while you were still an employee
- payment for counselling services received on leaving (see EIM13745)
- legal costs paid by your employer to your solicitor as part of a termination settlement compensating for the loss of your employment (see EIM13740)
- special payments made by your employer into a registered pension scheme as part of the termination arrangements (see EIM13735)
- lump sums paid to members of the armed forces paid under Royal Warrant, Queen's Order, Order in Council or the Armed Forces Compensation Scheme.

Total due before tax taken off

A £

**Box A now has to be split into three parts: box B – taxable lump sums, box C – relevant benefits from any EFRBS and box D – other receipts.**

Box B is the total of:

- any salary included in the lump sum that was due to you on leaving
- holiday pay
- payments in lieu of notice – whether contractual or paid habitually by the employer (other than damages) (see EIM12975 to 12979)
- bonus payments
- compensation for changes in your employment terms
- payments made to guarantee your future conduct ('restrictive covenants'), for example, agreeing not to compete with your former employer (see EIM3600+)
- any other contractual amount or benefit excluding contractual redundancy payments or benefits
- ex gratia payments.

*Copy box B to box 3*

B £

Box C is for the total of 'relevant benefits' provided to you under an EFRBS (including an overseas pensions scheme that is not UK registered). See EIM15020 and 15021 for a definition of 'EFRBS' and 'relevant benefits' or ask us, if you are not sure.

C £

Box D is for other receipts and is simply box A minus boxes B and C.

If you want to check, *box D + box C + box B = box A*

D £

**Now work out what can reduce the amount that you will have to pay tax on.**

If you have received any specific payment (included in box D above) for any physical or mental impairment when your employment ended or terms changed, enter it in box E.

*If box E equals box D, go to box I*

E £

Boxes F and G are for 'foreign service' relief (see EIM13680+)

## Contacts

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*If at some time during your employment you were 'not resident in the UK' or you qualified for the Seafarers' Earnings Deduction (or before 6 April 1998 the Foreign Earnings Deduction) or you were 'resident in the UK' but non-domiciled and undertaking non-UK duties for a foreign employer, that period is 'foreign service'. Work out your foreign service exemption to go in box F, otherwise move on to the notes for box G.*

If:

- 75% of your service was foreign service (see above), or
- your last 10 years were foreign service and overall your service was longer than 10 years, or
- your total service was more than 20 years and half was foreign service (including any 10 of the last 20 years), you get full foreign service exemption. Enter in box F the amount included in box D that was for the job in which you had foreign service.

*If the amount in box F is the same as box D, go to box I*

F £

You may still get some reduction if you had some foreign service but do not qualify for the full foreign service exemption. To calculate this:

- work out your total service in the job in months
- work out the part of it that was foreign service, also in months
- take off £30,000 from the amount included in box D for your foreign service (do not alter box D itself)
- multiply the result from the previous bullet by the number of foreign service months divided by the number of months in service overall.

*Put the result in box G*

G £

Box H is for exemptions of amounts included in box D, such as redundancy payments. The maximum exemption is £30,000 for each job but if box D is less than £30,000 you can only enter in box H the amount in box D. Jobs with the same employer, or with employers under the same or common control, count as one job. For example, if you received redundancy payments from two companies in the same group, you only get one exemption of up to £30,000. If your termination settlement extends to more than one year you can carry forward any unused exemption.

*Copy box H to box 9*

H £

*Box I is simply boxes E, F, G and H added together*

I £

Box J deals with further exemptions that may reduce the figure in box C. Add together any amounts included in box C that were:

- funded by contributions made by your employer before 6 April 2007 but you were taxed on the contributions in the year they were made (we may ask you about these)
- paid because of your own contributions
- from an overseas scheme (there are more conditions attached to this - you must qualify under Extra Statutory Concession A10 - ask us about this if you are not sure).

*Copy box J to box 8*

J £

**Now work out what goes in the remaining boxes.**

In box K, enter box C minus box J. *Copy box K to box 4*

K £

In box L, enter box D minus box I. *Copy box L to box 5*

L £

And, in box M, enter the total of boxes E, F and G.

*Copy box M to box 10*

M £

Your employer may have taken PAYE tax off some or all of the payments. If you have not included that tax in box 2 of the *Employment* page of your tax return, enter it in box 6.

### **Box 11 *Seafarers' Earnings Deduction***

A seafarer is ‘someone who performs their employment duties on a ship’. Offshore installations, used in the oil and gas industry, are not ships and workers on mobile offshore drilling units, semi-submersibles and jack-up rigs are not ‘seafarers’ and are not entitled to the deduction. If you think you qualify, download Helpsheet 205 *Seafarers' Earnings Deduction* from [hmrc.gov.uk/helpsheet205](http://hmrc.gov.uk/helpsheet205) or phone the Self Assessment Orderline for a copy. The helpsheet will take you through the ‘eligible’ period calculation and work out the deduction you need to enter in box 11.

If you qualify for the deduction, enter the names of the ships on which you performed your employment duties in the ‘Additional information’ box, box 21 on page Ai 4.

### **Box 12 *Foreign earnings not taxable in the UK***

You will need Helpsheet 211 *Employment – residence and domicile issues* to work out the part of your income and receipts which is not liable to UK Income Tax in the year to 5 April 2014 if:

- you are, will be or have been, non-resident or claiming split-year treatment, or
- you have been non-domiciled, or
- you are, or will be, non-domiciled and the remittance basis rules apply to some or all of your earnings (see *Residence, remittance basis etc. notes*), or
- you received income in a foreign country that you could not bring to this country because of exchange controls or a shortage of foreign currency in that country.

Enter the amount not liable this year in box 12. However, you may have tax to pay on this amount (or part of it) in an earlier or later year or tax may be payable in another country on the same amount.

If you enter an amount in box 12, you are required in most circumstances to complete the *Residence, remittance basis, etc.* pages as well. However, if you are UK resident and not using the remittance basis, it is unlikely that you will need to complete these pages.

If you are completing box 12 on the basis that an amount is not taxable because it has not been remitted to the UK, then you must also complete box 28 on the *Residence, remittance basis etc.* pages. You should not complete box 29 on the *Residence, remittance basis etc.* pages if the amount you are entering in this box is more than £1,999.

### **Box 13 *Foreign tax for which tax credit relief not claimed***

Enter in box 13 the sterling equivalent of any foreign tax you have paid on your employment income and for which you are not claiming tax credit relief.

### **Box 14 *Exempt employers' contributions to an overseas pension scheme***

If you think your employer has made such contributions and that this box may apply to you, go to [hmrc.gov.uk](http://hmrc.gov.uk) for more information, or download Helpsheet 344 *Exempt employers' contributions to an overseas pension scheme* from [hmrc.gov.uk/helpsheet344](http://hmrc.gov.uk/helpsheet344)

## Contacts

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[hmrc.gov.uk/sacontactus](http://hmrc.gov.uk/sacontactus)

## **Box 15 UK patent royalty payments made**

You must withhold 20% tax from the amount of patent royalties you pay.  
The withheld tax is paid as part of the tax due on your income.

Put the amount you paid out in patent royalty payments in box 15.

Don't include the amount you withheld for tax.

If you have already claimed the patent royalty as a business expense on the *Self-employment* pages, you should make a note of the amount you have paid in the 'Any other information' box, box 19 on page TR 7 of your tax return or box 103 on the *Self-employment (full)* pages.

---

## Other tax reliefs

### **Box 1 Subscriptions for Venture Capital Trust shares**

If you have subscribed for shares in Venture Capital Trusts and you were aged 18 or over when the shares were issued, you are entitled to tax relief.

The amount of relief will be the smaller of:

- the amount you subscribed (up to a maximum of £200,000) at 30%, or
- the amount that reduces your tax bill to zero for the year.

Enter in box 1 the amount you subscribed, up to £200,000. Please keep any certificates the trusts provide.

### **Box 2 Subscriptions for shares under the Enterprise Investment Scheme**

If you invested in shares that were issued during the year to 5 April 2014 (or during the year to 5 April 2015 if you are carrying back relief – read Helpsheet 341 *Enterprise Investment Scheme – Income Tax relief*) you may be able to claim Income Tax relief under the Enterprise Investment Scheme.

The amount by which your tax liability will be reduced will be the smaller of:

- the amount you subscribed (up to a maximum of £1,000,000) at 30%, or
- the amount that reduces your tax bill to zero for the year.

To qualify for relief, you must have received either form EIS3 *Enterprise Investment Scheme Certificate and claim to relief*, from the company you invested in, or form EIS5 *Enterprise Investment Scheme*, from the fund manager of an approved investment fund. Helpsheet 341 *Enterprise Investment Scheme – Income Tax relief* explains the qualifying conditions for tax relief.

In box 2, enter the amount of relief you are claiming (up to a maximum of £1,000,000) for the year to 5 April 2014, and in the 'Additional information' box, box 21 on page Ai 4, enter:

- the name of the company invested in
- the total amount of the subscription on which you are claiming relief for the year to 5 April 2014. (If you have subscribed more than £1,000,000, Helpsheet 341 *Enterprise Investment Scheme – Income Tax relief* explains how relief can be allocated to the shares.)
- the date of issue of the shares
- the name of our office authorising the issue of the EIS3 or EIS5 and their reference.

### **Box 3 Community Investment Tax Relief**

To qualify for Community Investment Tax Relief:

- your investment in a Community Development Finance Institution within the Community Investment Tax Relief scheme must have been made on or before 5 April 2014, and
- you must have received a tax relief certificate for the investment, and
- you must retain the investment for at least five years and satisfy the other rules of the scheme.

If you satisfy the rules, you will be able to claim tax relief for the same investment for five consecutive years (the first being the one when the investment was first made). You must claim annually on your tax return. Helpsheets 237 *Community Investment Tax Relief* has more information.

The amount of relief for each year is the smaller of:

- 5% of the amount invested (and which remains invested), or
- the amount that reduces your tax bill to zero for that year.

Enter in box 3 the amount on which relief is claimed.

### **Investments made on or after 6 April 2013**

For investments made on or after 6 April 2013 the rules for claiming relief change. If you are unable to claim the full 5% in any year, the unused balance may be carried forward and claimed in a later year within the five year period. Make a note of any unused relief to carry forward. Full guidance on how to claim this will be provided with 2014–15 tax return guidance.

### **Box 4 Annual payments made**

If you make annual payments to someone under a legal obligation in connection with your trade or profession, you must withhold Income Tax at basic rate from the amount you pay. For example, if the annual payment you should pay is £100 ('the gross amount'), you must withhold 20% of this, or £20, and pay the other person £80.

You should enter the net amount paid in the year to 5 April 2014 – that is the amount you actually pay to the other person – in box 4. The Income Tax you have withheld is paid as part of the total tax due on your income.

You will get tax relief for the gross amount of the annual payments made in the year. If you have already claimed the annual payment as a business expense on the *Self-employment* pages, you should make a note of the amount you have paid in the 'Any other information' box, box 19 on page TR 7 of your tax return or box 103 on the *Self-employment (full)* pages.

If you have paid **interest** to someone who does not live in the UK and have withheld Income Tax from the interest, do not include this tax on your return. You must pay it to us directly. Please contact us and we will make arrangements for you to do this.

### **Box 5 Qualifying loan interest payable in the year**

You may be entitled to claim tax relief for interest payable on a loan or alternative finance arrangement used to buy:

- shares in, or to fund, a 'close' company (contact us if you are not sure if the company is 'close')
- an interest in, or to fund, a partnership
- plant or machinery for your work (but make sure you do not claim this interest twice – you will if you have already deducted it as a business expense).

## **i Contacts**

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If you receive a low-interest or interest-free loan from your employer for one of the above purposes you may be able to claim relief for any benefit taxable on you.

Enter the amount you are claiming in box 5, but if you need more information about any of these loans, please contact us. Helpsheets 340 *Interest and alternative finance payments eligible for relief on qualifying loans and alternative finance arrangements* also has more information.

Relief on qualifying loan interest and certain other reliefs are limited by the limit on Income Tax reliefs. For more information about the limit on Income Tax reliefs, read Helpsheets 204 *Limit on Income Tax reliefs*.

### **Box 6 Post-cessation expenses and certain other losses**

#### **Post-cessation expenses**

If, since you ceased in business, you have had to pay expenses in connection with that business you may be able to get tax relief on those payments (if made within seven years of your cessation). The tax relief will be given for the tax year in which the payments were made.

You must make a claim for expenses paid in the year 6 April 2013 to 5 April 2014 by 31 January 2015.

Enter the total you are claiming in box 6. (If, exceptionally, you are claiming relief against capital gains, please provide details in the 'Additional information' box, box 21 on page Ai 4.)

Enter in box 6 payments, made in the year to 5 April 2014, that were for:

- making good, or as damages for, defective work done, or defective services or goods supplied, or
- any legal or professional costs for any claim against you for that defective work, and so on, or
- insurance against such expenses, or
- recovering debts that were taken into account in calculating your business profits (before you ceased).

Additionally, you may include debts that have become bad or have been released under a formal voluntary arrangement within seven years of the business ceasing in box 6.

If, while you were in business, you had reduced your taxable profits by expenses that had not actually been paid and those expenses are still unpaid at 5 April 2014, reduce the amount you are claiming now by the unpaid amount.

If you recover any of the amounts spent, perhaps from an insurance policy or from a third party, you should enter the amounts received in the 'Other UK income' section on page TR 3 of your tax return.

#### **Pre-incorporation losses**

If you:

- have carried forward losses from your business to go against future profits
- transfer your business to a company before all those losses have been used
- received, solely or mainly, shares in that company in exchange for the transfer of your business, and
- are the beneficial owner of the shares and the company has carried on business throughout the year (or from the date of transfer to 5 April) then you may be able to set any remaining losses against your income from the company.

### ***Relief for former employee's liabilities and costs***

If the amount of liabilities or costs to be entered in box 6, relating to your actual or alleged wrongful acts in a former employment, exceed your total income in the year you may be able to claim the excess against capital gains. There are special rules limiting the relief if you did not pay for these costs etc. yourself. Please contact us if you are not sure what to enter in box 6.

### ***Employment loss relief***

Relief for losses arising from an employment or office is only available in exceptional circumstances as the general rule is that employment expenses cannot exceed the earnings from which they are deductible. A loss may arise where all or part of any capital allowances due cannot be deducted from the earnings from the employment. And, exceptionally, a loss may also arise directly from the conditions of the employment. Enter any employment loss relief you are claiming to set against other income of the same tax year in box 6 and give details in the 'Additional information' box, box 21 on page Ai 4. If you wish to claim relief now for an employment loss arising in 2014–15, fill in boxes 3 and 4 in the 'Other information' section on page Ai 3 and read the guidance for those boxes.

Relief for losses on employment, post cessation expenses and certain other reliefs are limited by the limit on Income Tax reliefs. For more information about the limit on Income Tax reliefs read Helpsheet 204 *Limit on Income Tax reliefs*.

### ***Box 7 Maintenance payments***

If:

- you, or your former spouse or civil partner, were born before 6 April 1935, and
- you make payments to maintain your former spouse or civil partner, or your child, and
- those payments are made under a court order, or a Child Support Agency (CSA) assessment, or a written agreement

then you may be entitled to tax relief. Relief (at 10%) is available on payments up to £3,040 in total. You must meet all four of the following conditions.

- The court order, CSA assessment or written agreement is made under the laws of one of the following – UK, Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain or Sweden.
- The payments are made to your separated or former spouse or civil partner or, although paid to the Department for Work and Pensions (DWP) (in Northern Ireland the Social Security Agency (SSA)), are treated as if made to them.
- Your former spouse has not remarried or your former civil partner has not entered into another civil partnership (if they have, the payments you made (not exceeding the maximum £3,040) up to the date of the remarriage or civil partnership will qualify for relief).
- The payments are for their own maintenance.

In addition, if the first condition is met and the payments you make are to the other parent for the maintenance of your child (or a child you have treated as part of your family) who is under 21, then you can get tax relief.

Enter in box 7 the lower of the payments you made or £3,040. Tax relief will be 10% of this figure.

## Contacts

To download the form and related helpsheets go to [hmrc.gov.uk/sa101](http://hmrc.gov.uk/sa101)

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### **Box 8 Payments to a trade union etc. for death benefits**

If part of your trade union subscription entitles you to a pension, life assurance or funeral benefits, then you are entitled to tax relief on an amount equal to one half of the part of your union subscription (up to a maximum of £100) which provides the benefits. Enter this amount in box 8. Your union representative will be able to tell you how much, if any, of your subscription was for these benefits.

### **Box 9 Relief claimed on a qualifying distribution on the redemption of bonus shares or securities**

The redemption of bonus shares or securities is a qualifying distribution and is paid with a tax credit. If you pay tax at the higher rate(s) you will have more tax to pay on this income (which you will have included in the Dividends box, box 3 on page TR 3 of your tax return). But you are entitled to an allowance, in terms of tax, for the higher rate tax you paid when those bonus shares or securities were issued. This allowance means the income is not taxed twice. Enter in box 9 the higher rate tax paid on the non-qualifying distribution of those shares (just the higher rate tax, not the tax credit or lower rate tax equivalent) – this will mean going back to the tax year in which they were issued and checking how much tax you paid on that income then.

### **Box 10 Subscriptions for shares under the Seed Enterprise Investment Scheme**

If you invested in shares that were issued during the year to 5 April 2014, you may be able to claim Income Tax relief under the Seed Enterprise Investment Scheme. For more information, read Helpsheets 393 *Seed Enterprise Investment Scheme – Income Tax and Capital Gains Tax reliefs*. The amount by which your tax liability will be reduced will be the smaller of:

- the amount you subscribed (up to a maximum of £100,000) at 50%, or
- the amount that reduces your tax bill to zero for the year.

To qualify for relief, you must have received form SEIS3 *Seed Enterprise Investment Scheme* from the company you invested in. Helpsheets 393 *Seed Enterprise Investment Scheme – Income Tax and Capital Gains Tax reliefs* explains the qualifying conditions for tax relief.

In box 10, enter the amount of relief you are claiming (up to a maximum of £100,000) for the year to 5 April 2014, and in the ‘Additional information’ box, box 21 on page Ai 4, enter:

- the name of the company invested in
- the total amount of the subscription on which you are claiming relief for the year to 5 April 2014 (If you have subscribed more than £100,000, Helpsheets 393 *Seed Enterprise Investment Scheme – Income Tax and Capital Gains Tax reliefs* explains how relief can be allocated to the shares.)
- the date of issue of the shares
- the name of our office authorising the issue of the SEIS3 and their reference.

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## **Married Couple's Allowance**

### **Boxes 1 to 11**

You can only claim Married Couple's Allowance if either you, or your spouse or civil partner (following the introduction of the Civil Partnership Act 2004) were born before 6 April 1935, and:

- you are a married man or married woman who married before 5 December 2005, or
- you are a married man, married woman or civil partner who married or formed a civil partnership on or after 5 December 2005.

The allowance is made up of two amounts, a minimum amount (worth up to £304) plus an amount dependent on the income of the husband (for marriages before 5 December 2005), or the person with the higher income (for marriages and civil partnerships formed on or after 5 December 2005) worth up to £487.50.

A married couple or civil partners may share the minimum amount of the allowance. But you must have asked us already to do this (either before 6 April 2013 or, if you married or formed a civil partnership during the year to 5 April 2014, by that date). If you want to change the way the allowance is given for 2015–16 please contact us. (It is already too late to make any change for 2014–15.)

### ***Surplus Married Couple's Allowance***

#### ***Husband (marriages up to 5 December 2005) or spouse or civil partner with higher income (marriages and civil partnerships on or after 5 December 2005)***

If you cannot use all of your Married Couple's Allowance you can transfer any surplus to your spouse or civil partner. You are entitled to do this if:

- you did not have enough income in the year ended 5 April 2014 to use up the allowance, and
- you lived with your spouse or civil partner for part of that year.

If you want your spouse or civil partner to have your surplus allowance, put an 'X' in box 11. Remember to also complete box 1 and where appropriate boxes 2 to 5 and box 9. Please tell us your spouse's or civil partner's name and National Insurance number in the 'Additional information' box, box 21 on page Ai 4.

#### ***Wife (marriages up to 5 December 2005) or spouse or civil partner with lower income (marriages and civil partnerships on or after 5 December 2005) - completion of boxes 6 to 11***

If your spouse or civil partner did not have enough income in the year ended 5 April 2014 to use any or all of their Married Couple's Allowance, you can ask for the surplus to be transferred to you. You can then use this surplus to reduce the Income Tax you have to pay. If you are working out your own tax liability, you may need to ask your spouse or civil partner for the amount of the surplus allowance claimed to enter in box A195 on the *Tax calculation summary notes* Working Sheet (and in box 13 on the *Tax calculation summary* pages). If you are not sure about the amount, ask us or your tax adviser. But if you are not working out your tax, you do not have to enter the amount of the surplus allowance – we can work this out.

If you are the wife or the civil partner with the lower income, the notes below tell you which boxes to complete on the *Additional information* pages. This depends on whether you previously decided to share the minimum amount of Married Couple's Allowance.

a. If you are claiming your spouse's or civil partner's surplus Married Couple's Allowance and previously:

- you elected to receive half of the minimum amount of Married Couple's Allowance (you would have done this by completing a form 18 election, and we agreed), or
  - you and your spouse or civil partner jointly elected that you should have all of the minimum amount of Married Couple's Allowance (you would have done this by completing a form 18 election, and we agreed)
- complete your claim by entering the details as appropriate in boxes 6 to 11. If you put an 'X' in either box 6 or box 7, you must always complete box 8.

## **i Contacts**

To download the form and related helpsheets go to  
[hmrc.gov.uk/sa101](http://hmrc.gov.uk/sa101)

For more information about Self Assessment go to  
[hmrc.gov.uk/sa](http://hmrc.gov.uk/sa) or  
[hmrc.gov.uk/sacontactus](http://hmrc.gov.uk/sacontactus)

b. If you are claiming any surplus Married Couple's Allowance from your spouse or civil partner and have not previously elected to receive half or all of the minimum amount of Married Couple's Allowance, complete your claim by:

- entering an 'X' in box 10, and
- entering your spouse's or civil partner's name in the 'Additional information' box, box 21 on page Ai 4. Do not complete box 8.

c. If you are not claiming any surplus Married Couple's Allowance but you previously elected to receive half or all of the minimum Married Couple's Allowance (you would have done this by completing a form 18 election, and we agreed), complete your claim by entering the details as appropriate in boxes 6 to 9. If you put an 'X' in either box 6 or box 7, you must always complete box 8.

If you are unsure about claiming or transferring surplus allowances, ask us or your tax adviser.

### ***Special rules if you married or formed a civil partnership in the year ended 5 April 2014***

If you married or formed a civil partnership during the year ended 5 April 2014, you can claim  $\frac{1}{12}$  of the Married Couple's Allowance for each tax month (or part of a tax month) of your marriage or civil partnership (the tax month runs from 6th of one month to 5th of the next).

Occasionally, you may have already established a claim to Married Couple's Allowance for the tax year in which you remarry or form a civil partnership. This can happen when perhaps a spouse or civil partner dies and you decide to remarry or form another civil partnership before the following 5 April. In these circumstances, it is almost always more advantageous to continue claiming Married Couple's Allowance in 2013–14 for your former spouse or civil partner rather than to make a time-apportioned claim for your new spouse or civil partner. On this tax return you should enter your previous spouse's or civil partner's name in box 1 and their date of birth in box 5.

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## **Other information**

### **Income Tax losses**

#### ***Other income losses***

##### ***Box 1 Earlier years' losses***

Income losses cannot be set against all the types of income returned in box 16 of the 'Other UK income' section of your tax return (page TR 3). For example, you cannot set losses against annual payments. If you need more information about this, read Helpsheet 325 *Other taxable income* from [hmrc.gov.uk/helpsheet325](http://hmrc.gov.uk/helpsheet325) or phone the Self Assessment Orderline for a copy. Enter in box 1 the amount of any loss brought forward to be set against your 'Other UK income' for 2013–14.

##### ***Box 2 Total unused losses carried forward***

Enter in box 2 the total amount of income losses you are claiming to carry forward to a later year. This will include the amount of any loss for 2013–14 that you cannot set against box 15 'Other UK income' and any unused allowable losses brought forward from earlier years.

## ***Trade losses from a later year (trading losses and certain capital losses)***

### **Boxes 3, 4 and 5**

Enter in box 3 the amount of the 2014–15 trading loss (or certain capital losses). Enter in box 4 the amount of loss you are claiming relief for. This may not be the full amount of the trading loss.

### **Limit on Income Tax reliefs**

There is a limit on the amount of Income Tax relief that an individual may claim for deduction from their total income in a tax year. The limit in each tax year is the greater of £50,000 or 25% of the individual's adjusted total income for that year. If you are, or think you could be, impacted by the limit, please see Helpsheet 204. Capital gains losses are not limited. Enter in box 5 the tax year in which the loss is to be relieved, for example, 2012–13. Specify the source of the loss in the 'Additional information' box, box 21 on page Ai 4.

The general rule is that the claim relates to the later tax year (2014–15), not the earlier tax year. The amount of the relief will be worked out by reference to the earlier tax year, for example 2012–13, and will be set against other tax due or repaid as appropriate. See page TCSN 21 of the *Tax calculation summary notes* for guidance on working out the amount of the relief and where you should enter the resulting tax adjustment.

### **Box 6 Amount of payroll giving**

If you have charity donations taken from your pay before your pay is taxed, those payments are made through the Payroll Giving scheme. Put the amount of charity donations taken from your pay in box 6. You can find the amount you paid each month from your payslips.

If you need to work out your adjusted total income, add these payments to your pay figure on your P60.

## **Pension savings tax charges and taxable lump sums from overseas pension schemes**

### **Boxes 7 to 18**

Most people will not need to complete boxes 7 to 18 and if you do, you may have a tax adviser to help you.

If your pension scheme is a UK-registered pension scheme, the pension scheme administrator should tell you if any pension savings tax charges apply.

If you are a member of a UK-registered pension scheme and any of the tax charges in boxes 7 to 14 apply, you will need Helpsheet 345 *Pension savings – tax charges on any excess over the Lifetime Allowance and the Annual Allowance, and on unauthorised payments*.

You will need Helpsheet 346 *Pension tax charges – for members of overseas pension schemes that are not UK registered pension schemes* if you are a member of an overseas pension scheme and you need to fill in any of boxes 7 to 18.

You may need both helpsheets if you are a member of a UK registered pension scheme and an overseas pension scheme.

You can find full guidance about all the pension savings tax charges that may arise at [hmrc.gov.uk/pensionschemes/reliefs-charges.htm](http://hmrc.gov.uk/pensionschemes/reliefs-charges.htm) but the following is a very brief introduction.

## **Contacts**

To download the form and related helpsheets go to [hmrc.gov.uk/sa101](http://hmrc.gov.uk/sa101)

For more information about Self Assessment go to [hmrc.gov.uk/sa](http://hmrc.gov.uk/sa) or [hmrc.gov.uk/sacontactus](http://hmrc.gov.uk/sacontactus)

### **Lifetime Allowance excess charge**

This tax charge may apply if you exceeded the standard lifetime allowance of £1.5 million when you started to receive your pension benefits from a UK registered pension scheme during 2013–14. No charge will be due if you told us of your intention to rely on an Enhanced Lifetime Allowance (you will know if you have).

### **Annual Allowance excess charge**

This tax charge may apply if the total amount saved toward your pension benefits in registered pension schemes during ‘pension input periods’ ending in 2013–14 (and overseas pension schemes, with some modifications) exceeded the total of the Annual Allowance of £50,000 plus any unused Annual Allowance you can carry forward from the three previous tax years.

For this purpose, the amount saved towards your pension benefits includes:

- all your contributions (and your employer’s on your behalf) into money purchase arrangements, and
- the capital value of the increase in the amount of any defined benefits during the pension input periods covered by this tax return. (Your benefits at the start of the pension input period are adjusted by a consumer prices index increase. That adjusted amount is taken away from the amount of your benefits at the end of the pension period. Any resulting increase is multiplied by 16 to give the capital value.)

### **Pension Scheme Tax Reference (PSTR) number**

Your pension scheme administrator should give you this information.

Enter the PSTR number of the pension scheme that is paying an amount of your Annual Allowance excess tax charge for 2013–14.

If more than one pension scheme is paying an amount, enter the PSTR numbers of the other pension schemes in the ‘Additional information’ box, box 21 on page Ai 4.

### **Unauthorised payments charge**

The unauthorised payments tax charge applies when an unauthorised payment is made to, or for, you. If it came from a UK registered pension scheme, the scheme administrator should have told you. The charge is at 40% of the value of the unauthorised payment. If such payments exceed a ‘surcharge threshold’, more tax, at 15% of the amount of the payment, will be due.

If your scheme administrator has already deducted the tax on the unauthorised payment and/or the surcharge, there is no need to include these in boxes 13 or 14.

### **Overseas pension schemes**

The pension savings tax charges may also apply (with some modifications) if you are a member of an overseas pension scheme that is not registered in the UK. But you can ignore boxes 7 to 18 if you do not have UK tax-relieved funds, or funds transferred from a UK registered pension scheme, in an overseas pension scheme. If you do have either of those funds then you can find guidance on whether or not you need to make entries in these boxes in *Helpsheet 346 Pension tax charges – for members of overseas pensions schemes that are not UK registered pension schemes*.

If you are not sure if you have such funds, go to [hmrc.gov.uk/pensionschemes/overseas-basics.htm](http://hmrc.gov.uk/pensionschemes/overseas-basics.htm) for more information.

You may be liable to a pension savings tax charge if you have been paid a lump sum of up to £18,000 from an overseas pension scheme and you are no longer entitled to benefits under the scheme in certain circumstances.

There is guidance on these lump sums in Helpsheet 346 – see the section on trivial commutation and winding-up lump sums. If you have received such a chargeable payment you should not make an entry in boxes 7 to 18 for that payment. You should make an entry in box 16 on page TR 3 of the tax return instead.

If you are a member of an overseas pension scheme and are also a member of a UK registered pension scheme, you may need both helpsheets.

## Tax avoidance schemes

### **Box 19 *The scheme reference number (SRN)***

Enter the scheme reference number of any scheme or arrangement disclosed to HM Revenue & Customs that you have used to give you a tax or National Insurance contributions advantage now or in the future. In most cases, you will have received the SRN from the scheme promoter on form AAG6 *Disclosure of avoidance scheme – Notification of scheme reference number*, but in some cases you may have received the number direct from HM Revenue & Customs.

Advantage here means:

- relief, or increased relief, from, or
- repayment, or increased repayment of, or
- the avoidance of an assessment, or possible assessment, to, or
- the avoidance or reduction of a charge to, or
- the deferral of any payment of, or the advancement of repayment of, or
- the avoidance of any obligation to deduct or account for Income Tax, Capital Gains Tax or National Insurance contributions.

If you were party to more than three schemes, you must report details of the additional schemes on form AAG4 *Disclosure of avoidance scheme*.

If you are an employer and the notifiable arrangements concerned are arrangements connected with employment, you should not enter the SRN in this return. You should notify SRNs for employment products separately using form AAG4. To get a copy, go to [hmrc.gov.uk/aiu/form-aag4.htm](http://hmrc.gov.uk/aiu/form-aag4.htm) or phone our Anti-Avoidance Group on 020 7438 6733.

If you fail to report the SRN for a scheme or arrangement, you will be liable to a penalty.

### **Box 20 *The tax year in which the expected advantage arises***

Enter the year in which the expected tax or National Insurance contributions advantage first arises. This may be the year to 5 April 2014 or any date in the future. It may be an earlier year if this is the first time you have reported the SRN. Even if you have reported the SRN in a previous tax return, you must continue to report it until there is no longer a tax advantage (for example, until losses created by the scheme have been used up). For more information on the rules for the disclosure of tax avoidance schemes, go to [hmrc.gov.uk/aiu/guidance.htm](http://hmrc.gov.uk/aiu/guidance.htm) or you can contact us.

These notes are for guidance only and reflect the position at the time of writing. They do not affect the right of appeal.