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HMRC and Simple Assessments
May 2023

HMRC have issued paper copies of Simple Tax Assessments where these had previously been issued digitally. However, if you have already paid the amount shown on the digital assessment, you do not need to pay again on receipt of a paper assessment.

Key Tax dates

Tax payable under a Simple Assessment is due on 31 January after the end of the tax year, i.e. by 31 January 2024 for a 2022/23 Simple Assessment. Where the Simple Assessment is issued after 31 October after the end of the tax year, the tax is due on the later date of three months from the date of the issue of the Simple Assessment.

In this briefing we explain the nature of Simple Assessment and when Simple Assessments can be issued digitally.

What is Simple Assessment?

A Simple Assessment is a tax bill which HMRC send to an individual whose tax affairs are very straightforward. Individuals who are within Simple Assessment do not need complete a tax return. Instead, HMRC calculate the amount of tax that is due and send the calculation (the Simple Assessment) to the individual on form PA302. Simple Assessment were initially introduced for individuals who only received a state pension. However, they may now be used for other simple cases.

Who will receive a Simple Assessment?

You may receive a Simple Assessment if:

- you owe tax that cannot be deducted from your income;
- you owe tax of £3,000 or more; and/or
- you have to pay tax on your state pension.

HMRC base the information on information provided to them by the Department for Work and Pensions and other organisations.

If you receive a Simple Assessment, it is important that you check that it is correct. If you do not agree with it, you have a period of 60 days in which to appeal. If you do not appeal within this window, the Simple Assessment becomes final.

You will not receive a Simple Assessment if you have received a PAYE reconciliation (on form P800).

If you are within Simple Assessment you will be able to view your Simple Assessment by logging into your Personal Tax Account.

Tax due under a Simple Assessment should be paid by 31 January after the end of the tax year to which it relates or, if later, three months from the date on which the Simple Assessment was issued.

Digital Simple Assessments

During the period from May 2021 to July 2022, individuals who had opted to receive paperless communications from HMRC and who were within Simple Assessment received their Simple Assessment digitally via their Personal Tax Account.

However, it became unclear whether digital notification in this form complied with the legislation.

Digital Simple Assessments were suspended while the legislation was updated. The legislation has now been updated, and from April 2023 HMRC recommenced the issue of digital Simple Assessments.

Duplicate paper copies

While the legislation was in the process of being updated, HMRC reverted to issuing Simple Assessment in paper format. Additionally, HMRC have recently re-served Simple Assessments that were initially issued digitally to place beyond doubt that the Simple Assessment was correctly served in accordance with the legislation. However, this has led to confusion and not all recipients have realised that this is a duplicate and have paid the amount shown on the paper copy.

If you opted for paperless communication and receive a paper Simple Assessment, before making any payment it is advisable to check your records to establish whether it is a duplicate of an assessment received digitally and, if so, whether you have already paid it.

Please call us today if you would like help with Self Assessment Tax or indeed any of the issues raised in this update.



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