

Tax

Clarity for the months ahead.

The tax changes worth your attention, with clear next steps for business owners, employers and landlords.

IN THIS EDITION

Making Tax Digital: your next move	02
Benefits in kind: prepare your payroll	03
Rental income and side businesses	04
Mileage: the right rate for the journey	05
Your autumn tax diary	06

Selected from the July-September 2026 source editions.

Making Tax Digital: keep the momentum

The first quarterly deadline has passed. Autumn is the time to make digital records a routine and prepare for the next update.

£50,000

From April 2026

£30,000

From April 2027

£20,000

From April 2028

Annual qualifying income must be above the relevant threshold.

Check where you stand

MTD for Income Tax applies from 6 April 2026 to sole traders and landlords whose combined gross self-employment and property income was over £50,000 in 2024/25. The test is income before expenses, rather than profit.

The April 2027 threshold uses 2025/26 qualifying income. If you are likely to join then, use this autumn to settle the bookkeeping process and choose compatible software. Check exemptions before assuming you must join.

From September 2026, HMRC is starting to sign up people who should already be using MTD. Forward any notification to us so we can check your position and agree the next step.

Get ready for 7 November

The next quarterly update is due on **7 November 2026**. Updates are cumulative: the second standard-period update covers 6 April to 5 October 2026. Calendar-period users report from 1 April to 30 September.

Bring bank transactions, receipts and property records up to date. Agree who checks the figures, who submits the update and when records need to reach them.

Quarterly updates do not replace the annual tax return. Your 2025/26 online Self Assessment return is still normally due by **31 January 2027**. Keep that work moving alongside MTD.

YOUR NEXT STEP

Send us any HMRC MTD notification and confirm who is handling your next update. If April 2027 is your start date, arrange your software and records review now.

CURATED FROM 2020 / Tax, July & September 2026

[HMRC: who must use MTD | thresholds and exemptions](#)

[HMRC: quarterly updates](#)

Benefits in kind: prepare your payroll

Company cars and medical benefits lead the move to mandatory reporting through payroll. Start with your people, data and software.

APRIL 2027

First phase

Company cars, car fuel, vans, van fuel and employer-provided medical benefits.

APRIL 2028

Wider rollout

Most other benefits follow.
Employment-related loans and accommodation remain voluntary.

Build a reliable process

For the first phase, benefits and the associated Income Tax and Class 1A National Insurance move into real-time payroll reporting from **6 April 2027**. That brings more of the work into each pay period.

List every benefit you provide, its value, the employee receiving it and where the information comes from. Decide who tells payroll about a new company car, a leaver or a change in medical cover.

Ask your payroll provider what their implementation plan requires. A clear handover between payroll, HR and finance will matter as much as the software.

Explain the payslip impact

Employees will pay tax on affected benefits through payroll in the year they receive them. Some may also be settling tax on earlier benefits through their tax code, which can make deductions harder to understand.

Prepare a short explanation before the change takes effect. Give staff a route to raise questions, and make sure payroll can distinguish a current benefit from an earlier-year adjustment.

Use the lead-in period to check benefit values and responsibilities. Avoid promising that all P11D work disappears in April 2027: the rollout is phased.

YOUR NEXT STEP

Bring us your current benefits list and payroll arrangements. We can help identify what falls into phase one and the preparation needed.

CURATED FROM 2020 / Tax, July & September 2026

HMRC: [phased rollout and employee communications](#)

HMRC: [operation of mandatory payrolling](#)

Extra income. Clearer records.

Rental property and a side business both need attention. Small record-keeping gaps can become much harder to untangle later.

01 / LANDLORDS

Put the property paperwork in order

If HMRC writes about rental income, send us the letter promptly. We can review what is being asked, check the figures and help you respond within the stated deadline.

Reconcile rent received with your letting-agent statements and bank account. Keep evidence of expenses and the periods each property was let. Check that the records reflect your ownership share and any changes during the year.

If income has been omitted, the right disclosure route depends on the circumstances. HMRC's Let Property Campaign may be available to eligible individual residential landlords. Do not assume every landlord or every tax issue falls within it.

Rental income also counts towards the MTD qualifying-income test alongside self-employment income. Review the combined figure, even if each source looks modest on its own.

02 / SIDE BUSINESSES

A small sideline can still be a business

Regularly buying or making goods to sell, or charging for services, can create taxable trading income. Selling unwanted personal possessions is generally different, although some disposals can have separate tax consequences.

The trading allowance is up to **£1,000 of gross annual trading income**, across your trades. It is not £1,000 of profit, and it is not a separate allowance for every selling platform.

If gross trading income exceeds £1,000, you will generally need to register for Self Assessment. Exceptions and relief choices matter: the allowance cannot normally be claimed alongside actual expenses against the same income.

Keep a simple record of sales, platform fees, materials and other costs. This lets us check the reporting requirement and whether claiming expenses or the allowance is more suitable.

STARTED EARNING EXTRA IN 2025/26?

If you need to tell HMRC that you must file a return, the usual notification deadline is 5 October 2026. Get in touch now so we can check what applies.

CURATED FROM 2020 / Tax, August & September; Business, 3 August 2026

[HMRC: Let Property Campaign](#)

[HMRC: trading allowance and exceptions](#)

The right rate for the journey

Separate employees using their own vehicle from employees driving a company car. The two systems cover different costs.

EMPLOYEE’S OWN CAR OR VAN / 2026/27

55p

per business mile for the first 10,000 miles

25p

per business mile after 10,000 miles

The approved mileage rate rose from 45p to 55p for the first 10,000 business miles, backdated to **6 April 2026**. This is a tax-free limit, not an automatic requirement for employers to pay that amount. Review your expenses policy and mileage records.

COMPANY CAR / ADVISORY FUEL RATES FROM 1 SEPTEMBER 2026

Engine size	Petrol	LPG	Diesel
1,400cc or less	14p	11p	-
1,401-2,000cc	17p	13p	-
1,600cc or less	-	-	15p
1,601-2,000cc	-	-	16p
Over 2,000cc	27p	20p	22p

Electric company cars: 7p per mile for home charging; 15p for public charging. Hybrid cars use the petrol or diesel rate.

Company-car rates cover business fuel reimbursement or repayment for private fuel. Keep journey records and use the appropriate rate. Rates are reviewed quarterly; check again for journeys from 1 December 2026.

CURATED FROM 2020 / Tax, July & September 2026

[HMRC: employees’ own vehicles](#)
[HMRC: company-car advisory fuel rates](#)

A few dates. A calmer quarter.

Key dates for individuals using the usual Self Assessment timetable, plus the next MTD update. Your own circumstances may change what is due.

5 OCT

2026

Tell HMRC you need to file

Usual notification deadline for a 2025/26 return if you are newly required to file or need to restart.

31 OCT

2026

Paper Self Assessment

Usual deadline for HMRC to receive a paper 2025/26 return.

7 NOV

2026

MTD quarterly update

Second 2026/27 update due. Agree your records handover ahead of the deadline.

31 JAN

2027

Online return and payment

Usual 2025/26 online return and payment deadline. A first payment on account for 2026/27 may also be due.

Let's get your autumn organised.

Send us your records, an HMRC letter or the question you have been putting off. We can help you work out the next step.

contactus@taxkings.co.uk | 0141 333 1852

Reviewed 12 September 2026. Curated and rewritten from the supplied 2020 newsletters. General information only; please speak to us about your own position. Future changes are identified by their start dates.

[Official guidance: Self Assessment deadlines](#)

[Official guidance: MTD quarterly updates](#)

176 Bath Street, Glasgow, G2 4HG