SELF ASSESSMENT: RECORD KEEPING (SELF-EMPLOYED & PROPERTY LETTING)

How long to keep your records

Records must normally be kept for <u>five years</u> after the online tax return filing deadline of 31 January (this also applies if you have sent in a paper tax return).

If the return is filed late, you need to keep your records until the later of:-

- five years after the 31 January tax return deadline, and
- 15 months after the date you submit your tax return to HMRC.

If your records are lost or destroyed you should try and get the missing information in other ways, for example asking your bank for copy statements or tax certificates.

If you can't replace the records you must tell HMRC what has happened, particularly if you have used estimated or provisional figures.

Business records

Records you must keep	- A record of all sales and takings. - A record of all purchases and expenses.
Records you may need	- Cashbooks. - Invoices and receipts. - Electronics sales records or till rolls. - Mileage records. - Bank statements. - P60s (if you are also employed). - Payroll records (if you have employees). - Rent books. - Hire purchase records. - An inventory of stock on hand. - A record of money taken out of the business for personal use (drawings).
How to keep your records	- Keep your records on either paper or computer. - Keep separate records for separate businesses. - Keep detailed records as this will make it easier to answer any questions HMRC may have. - For electronic records capture all the information (front and back), save information in a readable format and keep a back-up.
Capital allowances	Keep separate records of purchases and sales of assets (such as tools and computers) and day-to-day running costs.
Personal use	- Record any stock taken for you or your family to use or any goods or services supplied to someone else in return for goods or services. - For expenditure or outgoings keep records allowing you to work out which costs relate to business use and which relate to your own use.