



Person with significant control - making sure your Self Assessment tax return is correct

Our records show that you're the 'Person with significant control' (PSC) for [\[name from data file\]](#). We want to make sure that your Self Assessment tax return is complete and correct. This isn't a formal compliance check.

A PSC can be someone that (either):

- holds more than 25% of shares or voting rights in a company
- has the right to employ or remove most of the board of directors
- has significant influence or control in a company

As a PSC you should be aware that there may be tax consequences for you as an individual if you (either):

- use the company to pay for personal costs that you don't reimburse to the company
- have the use of business assets for which you don't pay an appropriate market rent or equivalent
- transfer personal assets to the company
- transfer assets from the company
- receive loans and do not pay interest at an official rate
- receive loans which you do not pay back
- take up an option to buy shares
- dispose of shares, property or other assets

What you need to do now

Please make sure your Self Assessment tax return for the tax year 2023 to 2024 includes all sources of income and gains. This includes any that are listed above.

You can amend your tax return for the tax year 2022 to 2023 to correct any errors you may have made. You can do this by:

- logging on to your HMRC online account - to do this, go to GOV.UK, search 'Self Assessment tax returns' and then select 'If you need to change your return'
- writing to us at the address shown at the top of this letter

Please make sure you do this before 23 August 2024.

You may have more information that you need to report on your tax return. For example, other sources of income or gains. If you do and aren't sure about how to report it to us, you may want to get advice from a professional tax adviser.

What happens next

It's your responsibility to make sure your tax return is complete and correct. We may find errors that you should have corrected after receiving this letter but didn't. If so, we may open a compliance check and investigate. This may mean that you have more tax to pay. We may also charge you a penalty. We will also charge interest on late payments.

For more information about inaccuracy penalties, please read our factsheet CC/FS7a, 'Compliance checks – penalties for inaccuracies in returns or documents'. To do this, go to GOV.UK and search 'CC/FS7a'.

For help and advice

For help to fill in your tax return correctly, go to GOV.UK and search 'Self Assessment tax returns'.

For more information about expenses and benefits, you can read our tax guide '480'. To find this, go to GOV.UK and search 'Expenses and benefits for directors and employees - a tax guide: 480'. Then select:

- 'Taxable benefits and facilities (480: Chapter 4)' for more information on taxable payments made by the company on behalf of the employee or directors for use of the company assets.
- 'Beneficial loan arrangements (480: Chapter 17)' for more information about loans

If you want to talk to us about this letter, please phone 03000 520 503. This phone line is open Monday to Friday, 9am to 4pm. Or you can send an email to wealthyotm@hmrc.gov.uk

If you have authorised us to deal with your agent, we have sent a copy of this letter to them.

Yours sincerely

Wealthy Midsized Business Compliance Officer



Corresponding with HMRC by email

Use the following information to decide whether you want to deal with us by email. We take the security of personal information very seriously. Email is not secure, so it's very important that you understand the risks before you email us. We will not deal with you by email unless you tell us you accept the risks of doing so.

About the risks

The main risks associated with using email that concern HMRC are:

- confidentiality and privacy – there's a risk that emails sent over the internet may be intercepted
- confirming your identity – it's crucial that we only communicate with established contacts at their correct email addresses
- there's no guarantee that an email received over an insecure network, like the internet, has not been altered during transit
- attachments could contain a virus or malicious code

How we can reduce the risks

We'll desensitise information, for example by only quoting part of any unique reference numbers. We can also use encryption. We're happy to discuss how you may do the same but still give the information we need.

If you do not want to use email

You may prefer that we do not respond by email, for example because other people have access to your email account. If so, we're happy to respond by another method. We'll agree this with you either by telephone or in writing via post.

If you do want to use email

If you would like to use email as one of the ways HMRC will contact you, we'll need you to confirm in writing by post or email:

- that you understand and accept the risks of using email
- that you're content for financial information to be sent by email
- that attachments can be used

If you are the authorised agent or representative, we'll need you to confirm in writing by post or email that your client understands and accepts the risks.

Also:

- send us the names and email addresses of all people you would like us to use email with - you, your staff, your representative, your agent, for example
- confirm you have ensured that your junk mail filters are not set to reject and/or automatically delete HMRC emails

How we use your agreement

Your confirmation will be held on file and will apply to future email correspondence. We'll review the agreement at regular intervals to make sure there are no changes.

Opting out

You may opt out of using email at any time by letting us know.

More information

You can find more information on HMRC's privacy policy. Go to www.gov.uk and search 'HMRC Privacy Notice'.