



LOCAL PARTNER – GLOBAL KNOWLEDGE



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Right to Work checks are changing on 1 October — if you use subcontractors, please read this

From 1 October 2026, Right to Work obligations extend beyond traditional employees for the first time. Under section 48 of the Border Security, Asylum and Immigration Act 2025, the illegal working regime now reaches individuals engaged under a worker's contract, **individual subcontractors** and certain workers sourced through online platforms and labour supply arrangements.

Some of the coverage of this has overstated it. There is no blanket liability across an entire supply chain, agency workers are not a separate category and you are not required to use a digital verification provider. Penalties are unchanged at up to **£45,000 per worker** for a first breach and **£60,000 for a repeat breach**.

What has genuinely changed is the reach of the regime. If you engage people outside your payroll, you need to know who holds the direct contractual relationship with each individual and whether your contracts give you the protections you'd need to rely on a statutory excuse.

Please note that Business Help UK cannot carry out Right to Work checks on your behalf. These checks remain the responsibility of the business engaging the worker.

We've published a full explanation on our website, including a six-point checklist to work through before 1 October.

👉 Read the full article [here](#)



Autumn Budget — Wednesday 28 October

The Chancellor delivers the Autumn Budget on Wednesday 28 October. We'll be watching it live and sending you our own summary the following morning, the announcements that actually affect small businesses, employers and landlords, in plain English, with the noise stripped out. No need to sit through the coverage or wade through the documents. It will be in your inbox on Thursday 29 October.

Landlord registration opens 15 December — if you let property in England, your deadline is already set

From 15 December 2026, private landlords in England must register themselves and each of their properties on the government's new "Register Your Rental Property" service, the database created under phase two of the Renters' Rights Act 2025. **Registration costs £65 per property, per year.**

It does not all happen on 15 December. The rollout runs region by region over twelve months, beginning in the West Midlands. When your region is called forward you get a **three-month** window to comply and every actively letting landlord must be registered by 14 November 2027. The obligation covers homes let on assured or regulated tenancies, including tenancies already running.

Two points worth knowing now. First, your letting agent cannot register on your behalf, this one is on you personally. Second, empty properties being marketed to let are outside the scope at this stage, though that will change later, when a registration number will be needed before you can advertise.

Expect to supply the address, ownership and property type, any licensing, occupancy and HMO status, the rent and its frequency and your safety certificates — Gas, EPC and EICR.

Failing to register carries civil **penalties of up to £7,000**, rising to **£40,000 for repeated** or continued breaches and the Act also restricts your ability to regain possession while unregistered.

This applies to **England only**. Wales and Scotland have their own long-standing registration schemes and some coverage has blurred the two.

Also announced alongside it: rent increase challenges under section 13 are set to move from the First-tier Tribunal to the Valuation Office, though that needs further legislation and is expected to take around two years.



SOMETHING NEW

We're building an app

One thing we've heard consistently from clients is that the back-and-forth, chasing documents, finding the right form, working out what's due when, takes more time and effort than it should. So we've started work on an app to make all of that smoother.

It's still in development and we're not going to over-promise before it's ready. But it's coming and we'll share more as it takes shape.

Company directors: the identity verification transition ends 18 November — your real deadline may be sooner

Identity verification at Companies House became a legal requirement on 18 November 2025. That date started a twelve-month transition period and it closes on 18 November 2026. If you are a **director** or a **person with significant control** of a UK company, or a member of an LLP, you need to be verified.

The date most people have written down is the wrong one. 18 November is the end of the transition, not your personal deadline. For existing directors, verification is tied to your company's next confirmation statement, so if yours falls in October, that is the date that matters and it is weeks away rather than months.

This is not a paperwork formality you can let slide. An unverified director blocks the confirmation statement from being filed at all and failing to file a confirmation statement is a criminal offence in its own right, carrying **financial penalties** and the risk of the **company being struck off**. Missing the verification requirement is itself an offence and until it is resolved you will not be able to make filings for your company or set up a new one.

Verification itself is not difficult. You can do it directly with Companies House through GOV.UK One Login using ID documents such as a passport or through an Authorised Corporate Service Provider, a company formation agent, solicitor or accountant registered for the purpose. Both routes meet the same standard. Once verified you receive a personal code, which follows you rather than the company, so directors of several companies verify once.

Two clarifications, since there has been some confusion. Verification applies to individuals, not to the company itself. And the separate requirement for anyone filing at Companies House is not yet in force, that is expected no earlier than November 2027, with at least six months' notice.

If you are a director or PSC and have not yet verified, please check your company's confirmation statement date this week rather than assuming you have until November.



Making Tax Digital - Income Tax

Six months into MTD: the mistakes we keep seeing

Making Tax Digital for Income Tax went live on 6 April for sole traders and landlords with qualifying income over £50,000. Most people got the first quarterly update in by 7 August. The second is **due by 7 November, covering 6 July to 5 October**.

Now that a couple of quarters have been through the system, some clear patterns have emerged in what's going wrong.

Treating the soft landing as a free pass. HMRC has confirmed it won't issue late submission penalty points for quarterly updates during 2026/27. That is not the same as the updates being optional. You cannot file the year-end return until all four are in and late filing and late payment penalties on the return itself still apply in full.

Thinking a quarterly update is a mini tax return. It isn't. It's a summary of income and expenses, no adjustments, no reliefs, no allowances and nothing to pay. Which leads to the next one.

Panicking at the tax estimate. The figure your software shows after an update is a rough running total, calculated without your year-end adjustments. It is not your tax bill and shouldn't be treated as one.

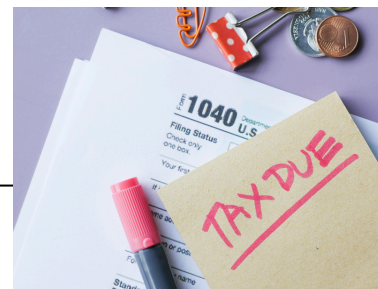
Submitting one update for everything. Each income source needs its own: self-employment separately from property and separate property businesses separately again.

Misreading the threshold. Qualifying income is gross turnover and gross rents before expenses, combined across sources, **not profit**. Plenty of people have assumed they're out of scope on a profit figure and aren't.

Assuming the 2025/26 return has changed. It hasn't. That one is filed the usual way by 31 January 2027. MTD doesn't replace the return until 2026/27.

Assuming your accountant is already set up. Authorisation to act for you on MTD for Income Tax is handled separately from ordinary Self Assessment authority, worth a quick check with them rather than an assumption.

If you're below £50,000, the threshold drops to £30,000 from April 2027 and £20,000 from April 2028.



Making Tax Digital - Income Tax

Information required by HMRC

Each quarterly update needs to be submitted to HMRC by the 7th of the month following the end of the relevant quarter.

- Q1 – 7 August 2026
- Q2 – 7 November 2026
- Q3 – 7 February 2027
- Q4 – 7 May 2027
- Final Declaration – 31 January 2028

You will now have 5 submission deadlines per year. Note that your 2025/26 Self Assessment return is unaffected and is still filed the usual way by 31 January 2027.

It must include the period start and end date as well as all income and expenditure that falls within the period dates.

Reporting Categories

Reporting categories include:

Income

- Turnover, takings, fees, sales or money earned
- Full value of all credit or other non-cash retail sales
- Any other business income
- Rental income
- Other income from property
- Premiums for the grant of a lease
- Reverse premiums and inducements

Expenditure

- Costs of goods bought for re-sale or goods used
- Payments to sub-contractors
- Wages/salaries and other staff costs
- Vehicle and travel expenses
- Rent, rates, utility and insurance costs
- Property/equipment repairs
- Office costs including phone and broadband
- Advertising
- Interest on loans or credit card charges
- Professional (legal, accountancy and other) fees

Each update must include the period start and end date, together with your income and expenditure. Importantly, quarterly updates are cumulative: every update runs from 6 April to the end of the quarter in question and replaces the one before it, rather than covering that quarter in isolation.

This is why there is no penalty for getting something wrong in an update. If you miss something or need to change a figure after submitting, you simply correct it in your software and the revised year-to-date totals go to HMRC with your next update.

If turnover for a particular business or property income source is below the VAT registration threshold of £90,000, you can opt for simplified "three-line" reporting instead total income, total expenses and net profit, rather than the full category breakdown. The £90,000 test applies to each source separately, not to your combined income.

Penalties

Moving into MTD, we also move into a new regime for late filing and late payment.

Late filing of a quarterly update or the MTD tax return won't trigger an automatic financial penalty. Instead you receive a penalty point for each missed deadline, one point per deadline, regardless of how many income sources you have. At four points a £200 penalty is imposed, with a further £200 for every late submission after that.

Points expire after two years if the threshold is never reached. If you do reach it, they reset only once you have submitted everything outstanding and then filed on time for 12 consecutive months.

HMRC has delayed the introduction of these fines until April 2027, so no penalty points will be issued for late quarterly updates during the 2026/27 tax year. You must still keep digital records and all four updates have to be submitted before you can file your final declaration.

Late payment penalties also change under MTD:

- 15 days late – 3% of the tax outstanding
- 30 days late – a further 3%
- From day 31 – a penalty of 10% per year, accruing daily until paid

The 3% charges rise to 4% from April 2027. In your first year on MTD you have 30 days before any late payment penalty applies but this easement is first year only. Interest is charged on top at the Bank of England base rate plus 4%. A Time to Pay arrangement will stop further penalties accruing, provided you keep to it.

Separately, failing to keep adequate digital records carries a penalty of up to £3,000.

Financial Calendar

October 2026

5 October 2026

Deadline to notify HMRC of new chargeability to Income Tax or Capital Gains Tax for 2025/26.

31 October 2026

Deadline for paper submission of 2025/26 Self Assessment tax return.

December 2026

30 December 2026

Deadline for online submission of 2025/26 Self Assessment return if tax is to be collected via PAYE (where tax due is under £3,000 and criteria met).

January 2027

31 January 2027

- Deadline for online submission of 2025/26 Self Assessment tax return.
- Balance of tax due for 2025/26 payable.
- First payment on account due for 2026/27.

February 2027

1 February 2027

Corporation Tax due for companies with a year end of 30 April 2026.

March 2027

31 March 2027

This is an important planning cut-off date for several reliefs:

- Last chance to:
 - Use most 2026/27 tax reliefs before year end
 - Make certain capital expenditure qualifying for full expensing (company year-end dependent)

April 2027

5 April 2027

Last day of the 2026/27 tax year.

6 April 2027

Start of the 2027/28 tax year.

19 April 2027

Deadline for PAYE, NIC and CIS payments (postal).

22 April 2027

Deadline for PAYE, NIC and CIS payments (electronic).

30 April 2027

Deadline for submitting 2026/27 Annual Tax on Enveloped Dwellings (ATED) return (if applicable).



Every Month

1st of the month

Corporation Tax due for companies with a year end nine months and one day earlier.

19th of the month

PAYE, NIC and CIS deductions due (postal payments).

22nd of the month

PAYE, NIC and CIS deductions due (electronic payments).

Quarterly (if applicable)

VAT returns and payments due one month and 7 days after the VAT quarter end.

Quarterly instalments (large companies)

Corporation Tax instalments due for companies within the quarterly instalment regime.

ADDITIONAL IMPORTANT NOTES FOR 2026/27

- CGT Annual Exempt Amount remains £3,000 for individuals.
- Dividend Allowance remains £500.
- Personal Allowance remains frozen (currently £12,570 unless changed in future Budgets).
- Making Tax Digital (MTD) for Income Tax continues to apply to qualifying sole traders and landlords — ensure quarterly reporting obligations are met where relevant.
- Late payment interest and penalties continue to apply for missed deadlines.

If the due date for payment falls on a weekend or Bank Holiday, payment must be made by the previous working day. Electronic payments sent using the Faster Payments Service (FPS) are able to clear into HMRC's account on a non-banking day - a Saturday, Sunday and most Bank Holidays.

File accounts with Companies House for private companies with a year ending nine months earlier and for public companies with a year ending six months earlier.

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