

## Self-Assessment Individual Exclusions for online filing – 2023 to 2024

### Individual Exclusion Cases

Where a personal return cannot be filed online for a reason listed below, provided that a paper return is delivered on or before 31 January following the end of the tax year to which the return relates, HMRC will accept that the taxpayer had a reasonable excuse for failing to file a paper return by the normal 31 October deadline. A reasonable excuse claim should accompany the paper return.

Any paper return submitted must conform to the normal rules for paper returns even if it is a computer-generated paper return e.g., it must hold a valid signature.

Where an HMRC recommended workaround causes an online return to be submitted with an entry that is not strictly correct, HMRC will not take action on that particular entry for that reason alone provided that the inaccuracy is in accordance with the workaround and purely to facilitate online filing.

Exclusions have been separated into two categories. The above points apply equally for both categories. Category 1 lists the System related Exclusions that have been in place for several tax years and will require significant system and CESA alterations to be removed. Category 2 lists the "live" Exclusions that are active during the relevant tax year but are reviewed by HMRC and a future fix is being considered.

#### Category 1 - System Related Exclusions: 12

Unique ID	Schedule	Page	Box	Issue	Workaround	Mnemonic criteria for Software Developers	Status
1	All	All	All	Where it is considered necessary to file a return before the end of the tax year (e.g., before 6 April 2025 for a 2024-25 return).	For information	Early submission of Return information.	—
2	SA102MP, SA102MLA, SA102MSP, SA102WAM	All	All	It is not possible to submit a return containing any of these schedules online.	For information	N/A	—
3	Records dealt with under separate arrangements	—	—	Customers whose records are dealt with under separate arrangements means their unique taxpayer reference will not be recognised by the authentication system. These customers will be advised that they will not be able to file online.	For information	—	—

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6	All	All	All	Return amendments can be submitted up to 12 months after the statutory filing date. Where a return has been issued late and legitimately filed after the 31st of January the customer should have a further 12-month period to submit an amendment. However, the system only allows online amendments to be submitted within 12 months of the online filing date of 31st January - amendments received before midnight on 31st January will be accepted.	Amendments made more than 12 months after the online filing date should be submitted on paper	Online Amendment window	—
15	Various	General	General	It is not possible to file online if the number of schedules exceeds the number allowed in the schema. E.g., SA102M = 50.	In these circumstances a paper return should be filed.	—	—
36	SA105	UKP2	PRO42, FSE78, SPS22, FPS22	<p>All of the amount in boxes FSE78, PS22, FPS22, and PRO42, will be restricted to the greater of £50,000 or 25% of the individual's adjusted total income. However, if part or all of the losses represent business premises renovation allowance BPRA from years to 2016-17 that has been carried forward then that amount should not be restricted. Because the BPRA boxes FSE54, SPS15, FPS15 and PRO33 have been removed from the Return it is not possible to indicate if any of the loss brought forward in FSE78, PS22, FPS22, and PRO42 relates to BPRA.</p> <p>It has now been confirmed that this Exclusion is not required as 1. a loss brought forward used against the year's profits is not subject to the limit, so if it contains BPRA the BPRA amount is not limited, and 2. a loss carried forward to be used against general income in 2018-19 cannot contain BPRA.</p>	The Exclusion is not required but is retained for Software Developers who have already implemented the change into their products - in these circumstances a paper return can still be filed.	Property business losses are subject to the cap where they are set off against total income, but not to the extent that those losses brought forward represent BPRAs. BPRA ended on 5th April 17 but losses up to 2016-17 carried forward to later years affects 2017-18 onwards.	—
46	SA103L SA103S SA103F SA104S SA104F SA110	TC1	CAL4.1 pseudo-Class 2 box pseudo-Class 1 box	<p>The Reg100 Class 4 calculation uses Class 2 max amount of 53 x £3.45 (£182.85), and where they are a Share Fisherman the amount should be 53 x £4.10 (£217.30). As a result, the Class 4 amount may be less than it should be by £34.45.</p> <p>A very small number of customers are expected to be affected by this.</p>	In these circumstances a paper return should be filed.	Share Fishermen with Class 1 NIC able earnings that reduce amount of Class 2/Class 4 due. The Reg100 Class 4 calculation uses 'ordinary' Class 2 max rather than the share fisherman amount. The Class 4 amount may be less than it should be.	—

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47	Residency: SA109 disregarded income not in calculation SA100	Residency RR1 disregarded income not in calculation TR3	Residency NRD1 disregarded income not in calculation INC17	<p>Non-residents are generally liable to UK tax on all their UK income but can make a claim under s811 ITA 2007 to limit the amount of UK tax they pay on certain (disregarded) income if it's more beneficial for them.</p> <p>If income disregarded by virtue of s825 and s826 (e.g., patent/royalty payments, and distributions from unauthorised unit trusts etc.), is entered in box 17, it will not be included as disregarded income in the S811 calculation at stage 91. So, if the customer is non-UK resident, the s811 calculation applies, and they have disregarded income entered in box 17 the calculation of tax due may be incorrect.</p> <p>An example would be Other income (INC17) £13,000 - all for patent paid to customer. NRD1 = Y. Tax calculated as £13,000 x 20% = £2,600. But this is disregarded income and the £13,000 should be excluded from the calculation so income tax due = £0.00 and customer is £2,600 overpaid.</p> <p>A fix would require a change to the Return and calculation e.g., new box 'INC17a' to show disregarded income in INC17. This will be considered.</p> <p>The amount of any overpayment will depend on the amount of the disregarded income</p> <p>The estimated number of customers affected is 100.</p>	In these circumstances a paper return should be filed together with your s811 calculation (working sheet in HS300)	<p>Non-UK residents completing Return box INC17 which contains an element of 'disregarded income' will not have that income identified in the calculation as disregarded income and it is being taxed.</p> <p>For a non-UK resident (NRD1=Y) the s811 calculation is applied (limit on liability to income tax of non-UK residents) but the type of income disregarded by virtue of s825 and s826 ITA 2007 is entered in box 17 'Other taxable income, box 17 includes different types of income, not just those included in s825 and s826 and it is not included in stage 91.</p> <p>As a result the calculation may identify the incorrect lower amount for s811 non-UK resident calculation.</p> <p>This is identifiable where</p> <p>NRD1 = 'Y'</p> <p>and INC17 &gt; 0</p> <p>and INC21 NOT NULL and notes state that INC17 includes an element of disregarded income</p>	—

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62	Trust income SA107	T2	TRU18	<p>Where dividends are received in an estate before 6 April 2016, but the income is not paid over to the beneficiary until after that date, they will receive a non- payable tax credit of 10%. A customer will not receive a tax credit at the full 10% if they want the SA tax calculation to set that tax credit against other income.</p> <p>This Exclusion has been reinstated and retained as we understand that the dividend for a Trust received before 6 April 2016 may be paid beyond 5 April 2023</p> <p>The estimated number of customers affected is reducing each year and is estimated to be less than 100.</p>	In these circumstances a paper return should be filed	<p>The SA107 Trusts page Notes advise that “If any dividend income is received by the estate before 6 April 2016, but isn’t paid until after 5 April 2023 a 10% tax credit against any tax is due on these dividends. The 10% tax credit is not repayable if you have no tax liability for the year.</p> <p>Make a note of the amount(s) of any dividend income that was received by the estate before 6 April 2016, but not paid to you until after 5 April 2023 in box 26, Any other information.</p> <p>If the tax credit can be set against tax due this is not being given in the calculation.</p>	—
100	SA101 108	Ai2	AOR2	<p>Based on S1 TMA care and management the SA returns, and the calculator automatically allocate to the taxpayer their personal allowance. However, a taxpayer may wish to disclaim their Personal Allowance. For example, in order to claim income tax relief on EIS subscriptions so that they can claim Capital Gains Tax (CGT) relief. If the taxpayer doesn't want to claim their personal allowance a specific claim not to claim it must be made.</p> <p>HMRC is aware of 4 affected customer cases.</p>	In these circumstances a paper return should be filed. Please make a note on box19 of page TR7.	We are unable to advise of criteria for identifying customers who do not want to claim Personal Allowance because it is not claimed on the Return, and it is given automatically if it is due. It is expected that anyone who does not want to claim PA will contact HMRC. However, we have created this Exclusion so you can advise any customer that contacts you that they can file a paper Return and quote the Exclusion number 100.	—

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135	SA104 SA105 SA106 SA107 SA109	FP2 FP3 UKP2 F3 F5 T2 RR2	FPS41.1 FPS41.2 FPS63.1 FPS63.2 PRO44 FOR13.1 FOR13.2 FOR24.1 FOR24.2 TRU25 TRU25.1 NRD20	<p>Dual or non-UK residents may be able to claim partial relief from UK tax on their UK income as per the Double Taxation Agreement with their main country of residence. Where they are claiming partial relief from UK tax on either savings and/or dividends and are also claiming relief for residential finance costs then the finance costs relief may be too high. This is due to the savings and dividend income being included as non-savings income within the calculation of adjusted net income.</p> <p>An example is a non-UK resident (NRD1) claiming Personal Allowances (NRD15), with UK pensions £9,500 (INC11), property profit £3,975 (PRO40), residential finance costs £2,300 (PRO44) and £4,000 taxed interest as Double Taxation Agreement income (NRD20) upon which £200 is being claimed as partial treaty relief (NRD22).</p> <p>The SA calculator is currently including the savings income as non-savings income and so not deducting it within the calculation for the adjusted net income. This means that the adjusted net income is £4,905 rather than £905 and so relief for finance costs is given at £2,300 x 20% rather than £905 x 20%.</p> <p>The number of customers affected is estimated to be less than 200.</p>	In these circumstances a paper return should be filed.	<p>This can be identified when:</p> <p>NRD20 includes savings and/or dividend income</p> <p>And <math>PRO44 + PRO45 + FPS41.1 + FPS41.2 + FPS63.1 + FPS63.2 + FOR13.1 + FOR13.2 + FOR24.1 + FOR24.2 + TRU25 + TRU25.1 &gt; 0</math> (zero)</p> <p>And <math>d_{24\_15} &lt; c24.17</math></p> <p><math>d_{24\_15}</math> = larger of 0 (zero) and <math>(c24.11 - (c24.12 + c24.13 + c24.14 + d_{3\_22\_1} + d_{3\_22\_2}))</math></p> <p><math>d_{3\_22\_1}</math> = any savings income included in NRD20</p> <p><math>d_{3\_22\_2}</math> = any dividend income included in NRD20</p>	—

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124	SA104F	FP 4	FPS68	<p>Where a loan or advance made by a company to a Partnership has been wholly or partly released or written off, the amount released or written off is treated as a net amount of income and entered at box 7.22 on the SA804. This is then entered at box 22A on the Full Partnership statement and subsequently transferred to box FPS68 on the SA104F. This feeds into to the SA calculation at box FPS70 (c3.1). Under s399 ITTOIA 2005 a non-UK resident customer having UK dividend income will be treated as having paid UK income tax at the ordinary dividend rate, and this is currently incorrectly being applied to amounts in FPS68 for loans written off. There being a tax credit given is determined by there, first being a distribution, and this does not happen in these cases. Therefore, a customer will currently receive a tax credit where non is due.</p> <p>An example would be a non-UK resident customer claiming personal allowances (NRD1 and NRD15 = Y), with Untaxed Interest (INC2) £1204, UK Dividends (INC4) £4382, Partnership profit (FPS76) £35,000, share of amount for loans written off (FPS70) £3000, Property profit (PRO40) £11,859. Here the resident s23 calculation is retained and from the Income Tax charged figure of £8442.81, £645.92 is deducted as 8.75% tax treated as paid on UK dividends (£4382) and partnership dividends (£3000). The 8.75% credit should only be given on the UK dividends however and so the correct credit would be £383.42.</p> <p>The number of customers affected by this issue is estimated to be no more than 2.</p>	In these circumstances a paper return should be filed	We are unable to provide clear identification criteria for these cases as we cannot identify how much of dividends entered in FPS68 relate solely to loans written off. Any non-resident customers whose entries at FPS68 include amounts for loans written off may be affected and can file a paper return to receive a manual calculation.	—

Category 2 – “Live” Exclusions: 6

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4	SA103L	LU1	LUN2	Customers cannot enter a negative value for losses from Accrued Income Scheme and deeply discounted securities in box LUN2.	Customers who need to enter a negative amount in this box will not be able to file online and should contact Lloyds Underwriters Unit S1278, Newcastle Upon Tyne, NE98 1ZZ for advice	—	—
18	SA110	TC2	CAL14	Where there is an entry in CAL14 but there is no entry in AO114 or LUN28 or FSE71 or FSE72 or FPS11 or SPS11, the return will fail validation.	In these circumstances a paper return should be filed.  The Return should have an entry in the Additional Information Box stating the CAL14 entry is a result of Settlor income or an FTCR adjustment for overlap relief.	—	—
22	SA103F SA103S	SEF4 SES2	FSE79 FSE74 SSE34 SSE29	The validation rules on FSE79 & SSE34 are incorrect where terminal losses are entered as losses brought forward from earlier years set off against this year's profits in FSE74 & SSE29.  It is estimated that less than 10 customers will be affected.	In these circumstances a paper return should be filed.	—	—
23	SA104F SA104S	FP2 SP2 SP1	FPS23 FPS17 SPS23 SPS17	The validation rules on FPS23 & SPS23 are incorrect where terminal losses are entered as losses brought forward from earlier years set off against this year's profits in FPS17 & SPS17.  It is estimated that less than 10 customers will be affected.	In these circumstances a paper return should be filed.	—	—

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34	SA103F SA104S SA104F	SEF4 SP1 FP1	FSE72 SPS11 FPS11	<p>Losses used against profit of the same trade are not capped. This includes losses where the profit is 'created' by an averaging claim.</p> <p>To the extent that the loss is used against other income, the capping rules will apply. Boxes FSE78 SPS22 &amp; FPS22 'Loss from this tax year set off against other income for YYYY-YY' are correctly capped. There is no box to set the loss against the same trade. That is because Averaging Adjustment cases create a unique situation where there can be a loss and a profit for the same trade in the same year.</p>	In these circumstances a paper return should be filed.	Averaging adjustment – only for farmers, market gardeners and creators of literary or artistic works where loss set against same trade in same year. Loss should not be capped.	—



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138	SA101	Ai2	AOR6	<p>Since 6 April 2013 the total amount of certain Income Tax reliefs that can be used to reduce the total taxable income has been limited to £50,000, or 25% of adjusted total income if higher.</p> <p>In 2023/24 a new box was added to the return (AOR6.1) and the calculator (c4.37.1) to ensure that pre-incorporation losses covered by s86 ITA 2007 were not incorrectly restricted as they had been before the creation of the new boxes. Previously those types of losses were included in box AOR6 (and c4.37) which included other losses and those boxes fed into the calculation as losses that did need to be restricted (thus fixing the 2022/23 version of this Exclusion).</p> <p>However, per section 29(4) of The Education (Student Loans) (Repayment) Regulations 2009, those losses should be excluded when identifying the borrower's total income upon which to calculate the amount of Student Loan repayments that they need to pay, and as such the new box AOR6.1 should also have been included with other Student Loan deductions at stage 27 of the calculator. Without its inclusion there a customer will overpay on their Student Loan repayments.</p> <p>An example would be a Scottish customer with Employment income £47,590 (EMP1), Self-employed profit £15,278, Pre-incorporation losses £6,000 (AOR6.1) and a Plan type 04 Undergraduate Student Loan from which £2,140 has been deducted through PAYE (SLR2). Currently and Student Loan repayment of £1,028 will be calculated on a total income of £62,868 (Plan Threshold being £27,660, thus £62,868 - £27,660 = £35,208 x 9% = £3,168 - £2,140 = £1,028). With the deduction of the losses from AOR6.1 the Student Loan repayment will be based on a total income of £56,868 and the correct repayment due will be £488.</p>	In these circumstances a paper return should be filed.	<p>This can be identified when:</p> <p>AOR6.1 &gt; 0 (zero)</p> <p>And</p> <p>c27.44 + c27.45 &gt; 0 (zero)</p>	Planned fix for 2024-25

## Changes

Document ID	Date	Unique ID	Notes	Changes
2023-24 v1.0a	17 April 2024	—	—	Accessibility changes made.
2023-24 v1.0	03 April 2024	—	—	Document created from 2023-24 v0.1, no updates required.
2023-24 v0.1	15 February 2024	ID145	Removed	Fixed for 2023-24
2023-24 v0.1	15 February 2024	ID144	Removed	Fixed for 2023-24
2023-24 v0.1	15 February 2024	ID141	Removed	Fixed for 2023-24
2023-24 v0.1	15 February 2024	ID140	Removed	Fixed for 2023-24
2023-24 v0.1	15 February 2024	ID139	Removed	Fixed for 2023-24
2023-24 v0.1	15 February 2024	ID62	Updated	Year in issue updated
2023-24 v0.1	15 February 2024	ID46	Updated	To make relevant to 2023-24
2023-24 v0.1	15 February 2024	ID1	Updated	Year in issue updated
2023-24 v0.1	15 February 2024	ID138	Updated	Issue and Mnemonic criteria updated to reflect a partial fix for 2023-24
2023-24 v0.1	15 February 2024	—	—	Document created from 2022-23 v3.1