

**SELF ASSESSMENT CURRENT PROCEDURE: (self and through accountant)**

| Phase  | DIY – taxpayer does everything online  | Accountant / Agent route  |
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| <b>1. Pre-season housekeeping</b>              | <ul style="list-style-type: none"><li>• Check you still have a <b>Government Gateway</b> user ID and password.</li><li>• If you've never filed before: register by <b>5 October</b> using SA1 (non-trader) or CWF1 (new sole trader) → HMRC posts you a UTR and activation code.</li><li>• Set up 2FA (app/SMS).</li></ul>   | <ul style="list-style-type: none"><li>• Sign an <b>engagement letter</b> and provide AML/KYC docs to the accountant.</li><li>• Accountant files form <b>64-8</b> or uses the online “<b>Authorise a client</b>” service – you approve it in your Gateway inbox so HMRC links the agent to your UTR.</li></ul> |
| <b>2. Evidence gathering (April → January)</b> | Collect: P60, P45, P11D, interest statements, dividend vouchers, rental ledgers, business income/expenses, pension & Gift-Aid certificates, CGT figures. Many people keep a shoe-box, spreadsheet or small app; nothing is uploaded to HMRC at this stage.   | You send the same documents (scans, CSV exports, bookkeeping software invite). The accountant may give you a checklist or a shared folder with named sub-folders (“Income”, “Expenses”, “Bank”).  |
| <b>3. Log in and start the return</b>          | <ul style="list-style-type: none"><li>• Go to <b>gov.uk/log-in-file-self-assessment</b>.</li><li>• Select the tax year (e.g. 2024-25).</li><li>• HMRC wizard asks a few “tailoring” questions to decide which pages (SA102, SA103S/F, SA105, SA108, SA106, SA109) you need.</li><li>• The online form expands page by page; you type numbers exactly as they appear on your paperwork.</li></ul> | Accountant works in commercial software (TaxCalc, Iris, BTC, Xero Tax, etc.). They import figures from your bookkeeping file or enter manually, attach computations, and reconcile balances.  |
| <b>4. Real-time checks &amp; queries</b>       | <ul style="list-style-type: none"><li>• HMRC service validates boxes (no text, must be numeric, etc.).</li><li>• You may hit help-buttons that open the relevant HS or SA150 notes.</li><li>• If unsure, you phone HMRC or search GOV-UK forums.</li></ul>   | Accountant emails/calls you with queries (“Need P11D copy”, “Confirm gift-aid total”), then updates the draft.  |

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| <b>5. Calculation &amp; review</b> | <ul style="list-style-type: none"> <li>• Click “<b>View Calculation</b>” – HMRC runs the back-end calculator.</li> <li>• You get a breakdown: income tax, Class 2 &amp; 4 NICs, CGT, student-loan, †payments-on-account due.</li> <li>• If it looks wrong you back-navigate and edit numbers.</li> </ul>   | <p>Software produces a <b>SA302 equivalent</b> + narrative tax comp.</p> <p>You receive a PDF to review and approve (electronic signature, email confirmation or client portal tick-box).</p>  |
| <b>6. Submission</b>               | <p>Click “<b>Submit</b>” → immediate on-screen IR Mark + acknowledgement email.</p> <p>Save or print your <b>SA302 and Tax Year Overview</b> for lenders.</p>  | <p>Accountant transmits via their software’s HMRC gateway. They forward the HMRC acceptance receipt to you.</p>  |
| <b>7. Payment</b>                  | <ul style="list-style-type: none"> <li>• Balance and 1st Payment-on-Account (POA) are due <b>31 January</b>; 2nd POA due <b>31 July</b>.</li> <li>• Pay by Faster Payments, CHAPS, debit card, bank transfer, Budget-Payment Plan, or arrange <b>Time-to-Pay</b> online if &lt;£50k.</li> <li>• Interest (currently 8.25 %) runs daily after due date; late-payment penalties start at 30 days.</li> </ul> | <p>Same deadlines but you may give the accountant authority to set up a Faster Payment from your business account or approve a BACS run.</p> <p>For TTP they’ll often coach you but HMRC insists you phone them personally unless a formal agent code is in place.</p> |
| <b>8. After-care</b>               | <ul style="list-style-type: none"> <li>• Keep records <b>5 years after 31 Jan</b> (22 months if no trade).</li> <li>• Amend online up to <b>12 months</b> after 31 Jan; later changes need “Overpayment Relief”.</li> </ul>  | <p>Accountant stores digital work-papers; they remind you about the next POA and handle amendments or enquiries for an extra fee.</p>  |

† If your balancing payment exceeds £1,000 and less than 80 % of tax is already collected via PAYE, HMRC adds two Payments-on-Account (50 % each).

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## Where users typically struggle (pain-points our app should erase)

1. **Missing UTR / forgotten Gateway credentials**
2. Deciding **which supplementary pages** they need.
3. Knowing **where each box value comes from** (especially Section 24 mortgage interest, FHL splits, CGT pooling).
4. Understanding the **Payments-on-Account calculation** and “should I reduce them?”.
5. Tracking paper **receipts and invoices** for five years.
6. **Penalties** for filing even one day late; fear of mistakes.

Your product’s chat-first, RAG-backed approach, automatic form-population, OCR invoice capture and proactive deadline nudges directly target all six pain-points.

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## What else should be considered?

| Theme                        | Implementation hint  |
|------------------------------|--|
| <b>Granular autosave</b>     | Mirror HMRC box numbers ( <a href="#">TR_4_10</a> ) in your DB so you can import/export to XML later.          |
| <b>Draft vs filed states</b> | Keep a <a href="#">return_version</a> table with immutable snapshots for each submission and amendment.        |
| <b>Audit trail</b>           | Log both the raw OCR text and the corrected value the user accepted.   |
| <b>Payment hand-off</b>      | For v-2, embed GOV.UK Pay or deep-link to HMRC card journey with return parameters.                            |
| <b>Agent mode</b>            | Design early for multi-client switcher, 64-8 authorisations, and batch filing.                                 |
| <b>Accessibility</b>         | Voice dictation, font scaling, WCAG colours – many sole traders use smartphones only.                          |
| <b>MTD ITSA readiness</b>    | Architectural seams for quarterly obligation retrieval and EOPS/crystallisation submissions (live April 2026). |

**User empathy**

Surface context-aware definitions (“Box 17 = PAYE tax already deducted”) inline to cut jargon fatigue.