

[UK Property Disposal Question and Answer document 12/07/2021](#)

HMRC is currently reviewing online guidance to make the UK Property Disposal process clearer for customers and agents submitting online and paper returns. Examples of when an amendment/estimate can be made are currently being prepared separately. These examples will include links to how the legislation is applied.

The question and answers below should be used as a reference point while the online guidance is being reviewed and updated.

[Amendments and Estimates](#)

Q1. I have submitted my client's UK Property Disposal return online earlier in the tax year but now need to make an amendment. Am I able to amend the return via the online service?

Yes, you can. You have the option to either amend the UK Property Disposal return or make the amendment via your client's Self Assessment tax return.

Q2. Can I amend my client's UK Property Disposal return after I have submitted their Self Assessment tax return?

No, you cannot. Any further amendments must be made by amending your client's Self Assessment tax return.

Q3. I have amended my client's UK Property Disposal return online to update estimates used and they have further Capital Gains Tax to pay. Will my client be charged interest on the amount payable?

It would be in your client's benefit to make an amendment as soon as they become aware of the actual figure as interest may apply if the original figure was an unreasonable estimate. Provided that a reasonable estimate was used at the time of the original UK Property Disposal return (and the estimates section was ticked on the original return), then there will be no interest charged if any in-year payment is subsequently found to be insufficient. Interest will run as usual from 31st January following the tax year of the disposal on any unpaid Capital Gains Tax at that point.

If the estimates were unreasonable or the original UK Property Disposal return did not have the estimate section ticked, despite the use of estimates, then interest will be due 30 days from the completion date of the disposal.

Q4. My client provided estimates in the online UK Property Disposal return. How do I correct this?

You can either amend your client's UK Property Disposal return or you can send updated figures via your client's Self Assessment tax return.

It would be in your client's benefit to make an amendment as soon as they become aware of the actual figure as interest may apply if the original figure was an unreasonable estimate.

Q5. My client can't confirm their total income until the end of the tax year should I be ticking "Yes" to the estimates option on the UK Property Disposal return?

Yes, if any of the amounts estimated would impact the amount of Capital Gains Tax owed on the UK Property Disposal return you should tick "yes" to the estimates option on the UK Property Disposal return.

Q6. My client has used estimates in the UK Property Disposal return. Will I receive a reminder from HMRC to update the UK Property Disposal return to include any final figures?

No, you will not receive a reminder from HMRC.

If any of your client's figures have changed which has affected the amount of Capital Gains Tax due you can provide updated figures either by amending your client's UK Property Disposal return or via their Self Assessment tax return if they are required to complete a Self Assessment return.

Repayments

Q7. My client has overpaid Capital Gains Tax through the UK Property Disposal online service. Will the amount be refunded automatically?

No, the refund will not happen automatically. If the overpaid tax is the result of an amendment or due to a further UK Property Disposal return there is a section on the UK Property Disposal online return to request a repayment if one is due, this will prompt HMRC to review your client's record and repay any tax overpaid.

If the last payment on the UK Property Disposal return is made by card, then this will be how the refund is repaid. HMRC are currently reviewing the UK Property Disposal online service to add the option of notifying HMRC of bank details for repayment cases.

If a repayment is not requested, then any tax overpaid will remain as a credit on your clients UK Property Disposal account until you or your client contacts HMRC.

Q8. My client's income is lower than I estimated in the UK Property Disposal online return. How do I request a refund?

You can amend your client's UK Property Disposal return online and enter the updated figures. There is a section on the UK Property Disposal online return to request a repayment if one is due because the amendment has resulted in Capital Gains Tax being overpaid.

Alternatively, you could wait until you file your client's Self Assessment tax return to make an amendment and request a refund or ask for the overpayment to be used against the tax due on Self Assessment. Further information on this process can be found in the separate Offset of UK Property Disposal Capital Gains Tax document.

Q9. My client has made a loss on a disposal which cannot be reported using the UK Property Disposal online service. How do I request a refund of the additional tax paid?

If this is the only other disposal your client has made in the tax year (for example the disposal of shares at a loss after the completion date of the reported property disposal) then a repayment of tax will need to be made via their Self Assessment tax return.

If the client has a further disposal of UK residential property in the same tax year which completes after the loss, then the loss could be offset against this further disposal when working out if any Capital Gains Tax is due through the UK Property Disposal online service.

Q10. My client is a UK resident and has already paid Capital Gains Tax on a UK residential property disposal but has made a subsequent UK residential disposal resulting in a loss. Can I claim a repayment for my client through the UK Property Disposal online service, or do they have to wait until their Self Assessment tax return is filed?

Yes, your client can claim a repayment through the UK Property Disposal online service by notifying HMRC of the further UK residential property loss, if you choose to do this.

There is no legislative requirement to file via the UK Property Disposal service, so your client doesn't have to file within 30 days of the date of completion of the disposal. Your client will not receive a late filing penalty if they choose to file via the UK Property Disposal service after 30 days of the date of completion of the disposal.

Or your client can choose to wait until their Self Assessment tax return is submitted to report the loss.

[Offsetting UK Property Disposal Capital Gains Tax](#)

Q11. Can my client offset the amount of Capital Gains Tax overpaid against their Self Assessment tax due?

The Self Assessment tax return will include details of the total Capital Gains Tax due for the year and tax what has been charged through the UK Property Disposal online service.

If an overpayment of Capital Gains Tax is showing when the Self Assessment tax return is processed HMRC will need to manually allocate this overpayment against the total Self Assessment liability. This will involve checking what has already been declared and paid on the UK Property Disposal Return. Further information on this process can be found in the separate Offset of UK Property Disposal Capital Gains Tax document.

[Agent authorisation](#)

Q12. I already have a 64-8 in place for my client's Self Assessment tax return, do I need to complete the agent authorisation online for UK Property Disposal online service?

Yes, a separate digital authorisation known as a 'digital handshake' needs to take place before you will be able to file your client's UK Property Disposal return online.

Your client needs to create their UK Property Disposal account online first then give their Capital Gains Tax account reference number to you, as their agent.

You then log in via Agent Services and enters the Capital Gains Tax account reference number as the customer identifier.

[Personal Representatives](#)

Q13. Can a personal representative authorise an agent to manage their Capital Gains Tax on the UK Property Disposal online service?

A personal representative cannot set up a UK Property Disposal account specifically for the deceased's estate. However, they can use a facility to report on behalf of another person to report on behalf of the deceased's estate via their own, personal UK Property Disposal Account. If the personal representative would like an agent to help with the reporting process, then it is then possible for the personal representative and the agent to complete a "digital handshake" to authorise the agent to use the personal representative's account to report the disposal in the usual manner.

The personal representative needs to be aware that this will give the agent full access to their account and any UK Property Disposals returns made by the personal representative on their own personal tax affairs. Online authorisation for the UK Property Disposal online service is therefore only appropriate in those cases where the personal representative wishes the same agent to manage their own Capital Gains Tax on their UK Property Disposal account as well as assist them in reporting for the estate. In all other cases, a paper return will be needed for the estate. To obtain a paper return in these circumstances the personal representative would call the HMRC taxes helpline on 0300 200 3300 and a request a paper UK Property Disposal return.

Q14. Can I use the UK Property Disposal online service to manage a deceased estate's Capital Gains Tax on UK Property Account, if the personal representative has already appointed another agent to manage their own personal UK Property Disposal account?

No, an individual can only authorise one agent to manage their UK Property Disposal account at a time.

If your client does not want to replace their existing agent, you will need to contact HMRC taxes helpline on 0300 200 3300 and request a paper UK Property Disposal return.

Q15. Can an agent use the online service to amend a return on behalf of a personal representative?

Once a UK Property Disposal return has been submitted online by or on behalf of a personal representative via their UK Property Disposal account, it cannot be viewed or amended online.

When submitting online in this situation it is recommended to download or print a copy of the UK Property Disposal return before submitting.

You will need to contact HMRC taxes helpline on 0300 200 3300 to request a paper form to make the amendment.

Q16. I have submitted a UK Property Disposal return online on behalf of a personal representative of an estate, when does my client need to pay the tax owed as I have not been asked to pay any tax?

In period of administration cases, a charge is not created in real time. When the return is submitted online a message will be displayed advising HMRC will contact you telling you what you need to pay and how. The payment window is stopped when the return is received and will restart once the charge is raised.

When the charge is raised manually by HMRC a letter will be issued advising of the charge reference number and how to pay. The customer will have 14 days from the date the charge is raised to pay any Capital Gains Tax owing.

Non-residents

Q17. My client is a non-resident individual, can they use the UK Property Disposal online service?

Yes, they can. If your client is unable to pass online HMRC verification to confirm their identity they will need to register for the UK Property Disposal online service in a different way. There are different processes for non-residents depending on whether they have a NINO/UTR number or have no UK tax credentials. If you call the HMRC taxes helpline on 0300 200 3300 they will talk you through the registration process for non-residents unable to pass verification.

Paper returns

Q18. My client submitted a paper return more than 30 days ago and hasn't received any payment reference. Will they receive a penalty?

No late filing penalties will be issued if the paper return was received by HMRC within 30 days of the date of completion of the disposal. The payment window is stopped when the UK Property Disposal return is received by HMRC and will restart once the charge has been manually raised.

When the UK Property Disposal charge is raised manually by HMRC a letter will be issued to both the customer and the agent advising of the charge reference number and how to pay. The customer will have 14 days from the date the charge is raised to pay any Capital Gains Tax owing.

Other

Q19. My client has set up a UK Property Disposal account in error, what do I do?

You should advise the client no action is required, and no UK Property Disposal return needs to be completed.

Tell your client if they have a property disposal in the future which needs to be filed via their UK Property Disposal account, they should use these existing details and not register again to avoid any duplicate records being set up.

Q20. My client has a Personal Tax Account (PTA). Do they need to register separately for a UK Property Disposal account?

Yes, they will need to register separately. Customers who have set up a PTA can use the same credentials to set up a UK Property Disposal account.

Q21. What supporting evidence does my client need to submit with my UK Property Disposal return?

For online UK Property Disposal returns if a user has been unable to use the inbuilt calculator or have changed the tax due figure from the inbuilt calculator, they must attach their own calculation/computation. They are also given the opportunity to attach further supporting evidence if they so wish. There is no definitive list for supporting evidence and each disposal will be unique. The supporting evidence required is no different to what the user would attach if they were declaring a Capital Gains Tax disposal on a Self Assessment tax return.

Q22. How can my client claim Business Asset Disposal Relief (BADR) on their UK Property Disposal return?

Customers using the online UK Property Disposal service can claim BADR in the relief section by ticking "Other". For disposals in which BADR is claimed the Capital Gains Tax owing must be worked out manually. The Capital Gains Tax figure produced by the inbuilt calculator will need to be overridden with the figure worked out manually and a computation showing how the Capital Gains Tax figure owing has been arrived at will need to be attached.

Q23. How should I indicate on the UK Property Disposal return that an asset was acquired via a no gain no loss transaction?

When completing the question "How did you get the property?" tick the "Other" option and enter in the white space that the assets was acquired via a no gain no loss transaction.

Q24. How do secure customers who are unable to use HMRC's online systems file UK Property Disposal returns?

Secure customers should contact their own HMRC contact/office and request a paper UK Property Disposal return to file.

Q25. My Client is a UK resident who has disposed of a UK mixed use property (part of the property is residential and the other part non residential). Do I need to complete a UK Property Disposal return?

A UK Property Disposal return would be required if the residential property disposal gave rise to a gain with Capital Gains Tax due.

However, if the non-residential disposal gave rise to a loss, this loss could be offset against the residential element when working out if they must file a UK Property Disposal return.

Q26. My client is a UK resident and has acquired the UK residential property in instalments i.e. 1/3 in 16th March 2000, 1/3 in 10th October 2005 and 1/3 in 14th December 2016. When it comes to completing the UK Property Disposal return how do I indicate this on the return?

You should enter the first acquisition date for when the property was acquired and add up all the acquisition costs for each instalment and enter them together in the “How much did you pay for the property?” box. Full computation details for how the disposal(s) have been calculated should be uploaded as an attachment when submitting the UK Property Disposal return.