

Person of Significant Control – information about completing your Self Assessment tax return

Dear [\[title and surname from spreadsheet\]](#)

Our records show you're the 'Person of significant control' (PSC) for [\[name from data file\]](#).

We're writing to provide information to help explain how being a Person of Significant Control may affect your Self Assessment tax return. We've seen mistakes in this area and we're writing to raise awareness. This letter is not a compliance check.

Person of significant control

You're a PSC if you have:

- more than 25% of shares or voting rights in a company or
- the right to employ or remove most of the board of directors or
- significant influence or control in a company.
- If you want to know more go to GOV.UK and search 'People with significant control (PSCs)'

There may be personal tax consequences if you:

- use the company to pay for personal costs that you don't pay back to the company e.g. school fees
- can use business assets without paying the market rate
- transfer personal assets to the company, or transfer assets from the company
- receive loans without paying interest at an official rate, or without paying them back
- take up an option to buy shares
- dispose of shares, property or other assets.

What you need to do

Please review the information above to ensure you complete your Self Assessment tax return for the tax year 2025 to 2026 return correctly.

Correcting Tax returns

You can amend your tax return for the tax year April 24 to April 2025 if you think you have made any errors. You can do this by:

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

If you think there may be errors in earlier tax years, you can use the Digital Disclosure Service. Go to GOV.UK and search "Make a voluntary disclosure to HMRC"

Changes to your tax return may mean that you need to pay more tax, or you could be owed tax. We charge interest on late payments. If you've paid more tax than you should, we may pay interest on any amounts we pay back to you.

If you haven't paid enough tax, we may charge you a penalty. For more information, go to GOV.UK and search 'Self Assessment tax return corrections'.

Please make sure you do this before 31 January 2027.

If you're satisfied your return is correct, you don't need to do anything or contact us.

Penalties

It's your responsibility to make sure your tax return is complete and correct. If in the future we find errors in your tax returns relating to this issue, or we find you haven't told us you may owe tax, we'll treat any disclosure you make as 'prompted'. This may affect any penalties you have to pay.

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

More information

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, go to GOV.UK and search 'expenses and benefits for directors and employees - a tax guide'. Then choose:

- 'Taxable benefits and facilities (480: Chapter 4)' for more 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 about loans.

If you're not sure how to report all the information you need to on your tax returns, you may want to get advice from a professional tax adviser

Contacting us

If you want to talk to us about this letter, you can:

- write to the address at the top of the letter
- email us at sbipsc@hmrc.gov.uk – please first read the enclosed factsheet and confirm to us that you accept the risks of using email.

This email address will close on 27 November 2026.

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

Yours sincerely

Small Business and Individuals Compliance Officer