



ABEL ON PROPERTY

Coming Clean — the Let Property Campaign

by Harish Verma & Awais Jawaid, Chartered Accountants

Book 5 of 14

A note from Harish & Awais Jawaid

Let me be straight with you. Many landlords did not set out to hide anything. Life happened.

They inherited a house. They moved in with a partner and kept the old flat. The rent barely covered the mortgage, so they told themselves there was no profit and nothing to declare. I have heard it a hundred times.

Here is the truth: rent is income, and HMRC knows about most of it already. The good news is that HMRC has left a door open. It is called the Let Property Campaign.

This book is about walking through that door — before HMRC knocks on yours.

— *Harish Verma & Awais Jawaid, Chartered Accountants*

Inside this book

- 1 Who this book is for
- 2 What the Let Property Campaign is
- 3 Why coming forward beats waiting
- 4 How it works, step by step
- 5 Penalties, in plain words
- 6 After you come clean
- 7 The questions landlords ask me
- 8 The short version — key points
- 9 What to do next

Plain English throughout. No jargon. If anything is unclear, call us — that is what we are here for.

Who this book is for

This book is for the landlord with rental income they never declared. If that is you, there is no lecture here. Just a way forward.

I have heard every story. The inherited house you never quite got round to declaring. The flat you kept when you moved in with your partner. The rent that only just covered the mortgage, so you told yourself there was no profit and nothing to declare.

That last one is the most common — and the most mistaken. Rent is income. The full rent. What it costs you is a separate question. If rent came in and HMRC never heard about it, this book is for you.

Overseas landlords: UK rental income is taxed in the UK, even if you live abroad. If you did not know that, you are not alone — but now you do.

What the Let Property Campaign is

The Let Property Campaign is HMRC's standing offer to landlords. In plain words, it says: come and tell us yourself.

It is a disclosure facility — a formal way to put your hand up, work out what you owe, and pay it. It is designed for undeclared rental income.

Think of it as the open door. HMRC would rather you walk through it than have them come and find you. And as you will see in the next chapter, they are good at finding people.

In 40 years I have never seen HMRC's information get worse. Every year they know more. The door is open now — walk through it while you can choose to.



Why coming forward beats waiting

HMRC sees more than most landlords think. The Land Registry shows who owns what. Tenancy deposit schemes show who is letting. Letting agents file reports. Banks share information. Even property adverts leave a trail.

Put it together and HMRC can build a picture of your rental income without you telling them a word. I have watched the net tighten every single year of my career.

Here is the plain-English maths: if you come forward, the penalties are lower. If HMRC finds you first, they are higher. Interest on the late tax runs either way — coming forward does not stop the clock, but it stops it getting worse.

And there is the part no one puts in a spreadsheet: sleep. The landlords who come clean tell me the same thing — the relief is worth more than the money.

How it works, step by step

It is a clear path. Here it is:

- **Step one: talk to us first.** Before you contact HMRC, get advice. We will look at your whole position and plan the disclosure properly.
- **Step two: notify HMRC** that you want to disclose. This is you raising your hand.
- **Step three: gather the records.** Rent in, costs out, for every year involved. Bank statements, tenancy agreements, receipts. Do not guess — work it out.
- **Step four: we calculate the tax** for each year, properly and honestly.
- **Step five: we make the disclosure** and agree how the payment will be made.

HMRC gives you 90 days from acknowledgement to pull the disclosure together — but do not drift. Every month you wait is another month of interest, and the worry does not shrink on its own. Start now.



Penalties, in plain words

HMRC does not treat every case the same. They look at why the tax was missed.

- **An honest mistake** — you genuinely did not know — is treated most lightly.
- **Carelessness** — you should have known, but did not take care — sits in the middle.
- **Deliberate hiding** is treated the most seriously.

Where you sit on that scale matters enormously — and coming forward on your own moves you down it. Waiting to be caught moves you up.

Interest is charged on tax paid late. That part is automatic — it is the price of time.

The exact figures depend on your facts, which is why this book gives you the shape and your accountant gives you the numbers. Do not try to work out your own penalty from internet stories.

After you come clean

Then it is over. Paid, filed, done. And here is the sweet part: we keep you clean from that day on.

A simple system: every rent tracked, every cost filed, a return every year, the January deadline never missed. It is a small rhythm, and it keeps the worry away for good.

Some of my calmest clients today are people who came clean years ago. They tell me they wish they had done it sooner — every one of them.

Peace of mind has a price. It is lower than the price of fear. I have seen the proof for 40 years.

The questions landlords ask me

The same questions come up in every first meeting. Here are the honest answers.

- **Will I go to prison?** For most landlords with undeclared rent, no. HMRC's aim is to collect the tax, not to jail landlords. Prison is for the most serious fraud — not for people who come forward and pay.
- **How far back can HMRC go?** Many years — and further when they believe tax was hidden deliberately. This is another reason to come forward: you draw the line, not them.
- **What if I cannot pay it all at once?** HMRC can agree payment plans in genuine cases, and we will help you ask. What they will not accept is silence.
- **Do I need an accountant for this?** You need someone who has done it before. The disclosure must be complete and honest — a half-done disclosure is worse than none. We have done this many times.

The short version

If you remember nothing else, remember this:

- Undeclared rent is more common than you think — and HMRC knows more than you think.
- The Let Property Campaign is the open door: disclose, pay, move on.
- Coming forward means lower penalties than being found.
- Get advice before you notify HMRC — plan the disclosure properly.
- Afterwards, a simple system keeps you clean for good.

Keep this book somewhere safe — and pass it to any landlord friend who needs it. Not all accountants are the same.

ABEL ON PROPERTY

Ready to come clean? Start with a conversation.

You do not have to walk through the door alone. Talk to us first — in confidence — and we will look at your whole position and plan the disclosure properly.

We have guided landlords through this many times. No judgement, no lecture. Just a clear path from where you are to peace of mind.

Talk to us

Call 020 3051 8236

Email harish@abelaccounts.co.uk

Abel Accountants

3 Hayley Court, Lodge Way

Ashford, Surrey TW15 3AH

Not all accountants are the same.

— Harish Verma & Awais Jawaid