Unique Taxpayer Reference Number (UTR) - What is a UTR Number?

A Unique Taxpayer Reference, also known as a UTR or a UTR number, is a code that is utilised by HMRC for the purpose of identifying people who are self-employed as well as the firms that they own for taxation reasons.

UTR numbers always consist of ten digits and are exclusive to the individual or company that they are assigned to. In the event that you are in possession of a Unique Taxpayer Reference, you will require it for a variety of purposes, including the following:

- submitting a tax return under one's own self-assessment
- Participating in the Construction Industry Scheme by Registering
- Making contributions in advance towards your upcoming tax obligation
- Collaborating with a certified public accountant or a financial advisor who has been granted permission to operate on your behalf



Who is required to submit an application for a UTR number?

Applying for a UTR number is a requirement that must be met by everyone who is obligated to file a Self Assessment tax return.

Because sole proprietors are subject to infinite liability, it is impossible to keep their individual earnings distinct from those of their businesses. As a result, sole proprietorships only require a single UTR number.

On the other hand, in the case of partnerships, each partner must have their own UTR number, in addition to the fact that the company itself must have a Unique Taxpayer Reference.

How to Get a UTR Number?

When someone registers for self-assessment, they are immediately given a reference number that is unique to them as a taxpayer. The most frequent method of registering for Self Assessment is online through the website of HMRC. However, in certain situations, it is also feasible to fill in the form online and then mail it to HMRC. If you are interested in learning more about Self Assessment, visit the HMRC website.

After you have completed the registration process, you will get in the mail a letter that includes your UTR number. If you live in the UK, it may take up to 10 working days for this letter to reach you; if you live outside of the UK, it may take up to 21 working days.

In order to obtain a UTR number, you will be required to give the following information, which can be found on the UTR website:

- Your given name
- What is your birth date?
- Number associated with your National Insurance
- An address for contact
- A number that can be reached via phone
- A contact email address
- Your company's physical location
- The number of your company's business.
- The date on which you started working for yourself.
- The organisational framework of your company.

What to do in the event that you have misplaced your UTR number

It is a pretty widespread misconception that a Unique Taxpayer Reference has been misplaced. This is due to the fact that few people actually maintain the original letter that confirmed their UTR number. However, you can also locate UTR numbers in your HMRC online account, as well as on any prior tax returns and payment reminders that were sent to you by HMRC. If you are unable to access your online account and do not have any copies of the documentation that HMRC has provided you with, you should call the Self Assessment helpdesk in order to obtain a copy of your UTR number.

Sharing UTR numbers

UTR numbers, much like NI numbers, are considered to be extremely secret information. There are only a select few instances in which you should reveal your Unique Taxpayer Reference to a party other than HMRC, and those instances are extremely rare.

For instance, the most typical reason to reveal your UTR number would be if an accountant or financial advisor has the right to act on your behalf. If they are going to contact <u>HMRC</u> or submit your tax returns, they will require your UTR number.

If you are a subcontractor who is registered with CIS, this is yet another scenario in which you might disclose your UTR number. The contractors for whom subcontractors work are responsible for verifying those subcontractors, and the verification procedure calls for a few pieces of information, one of which is the UTR number of the subcontractor in question. There are very few additional scenarios in which it would be beneficial to disclose your UTR number to a third party. Be aware of anyone asking you to provide your UTR number for no apparent reason, as this number has been linked to identity theft.

In addition, we have an Accounting website with the domain name Accotech, which provides best accounting services in Islamabad. Taxation, bookkeeping, payroll, VAT, and other accounting services are available in the Website.