



HM Revenue
& Customs

Tax Check Factsheet

What's changing

From 4 April 2022 in England and Wales and from 2 October 2023 in Scotland and Northern Ireland you'll need to complete new tax checks with HM Revenue and Customs (HMRC) when applying to renew the following licences:

- Taxi and private hire drivers
- Private hire operators (England and Wales only)
- Booking offices (Scotland only)
- Scrap metal dealer sites
- Mobile or itinerant scrap metal collectors

How changes may affect you

What you need to do will depend on whether you're applying for a licence for the first time or whether you're making a subsequent application, such as renewing a licence.

Getting a new licence: If you are applying for a licence for the first time, you will not need to complete the tax check. However, licensing bodies will ask you to read HMRC guidance on what you need to do to be properly registered for tax in the future and you'll need to confirm you have done this.

Renewing a licence: If you renew or apply for a subsequent licence under a different licensing body, you'll have to do a tax check. You can complete the tax check on GOV.UK, through your Government Gateway account. If you do not already have a Government Gateway account, you should create one in advance of renewing your licence.

About the tax check

The tax check should only take a few minutes and you will only need to answer a few questions to tell HMRC how you pay any tax that may be due on income you earn from your licensed trade. There'll be guidance on GOV.UK and anyone who needs extra support will be able to complete the tax check by phone through HMRC's customer helpline.

When you've completed the tax check, you'll get a code. You must give this code to your licensing body. The licensing body cannot proceed with your licence application or renewal until the tax check is completed and they've received the code.

Your licensing body will only receive confirmation from HMRC that you've completed the tax check, they will not have access to information about your tax affairs.

What you need to do

If you haven't registered to pay tax on earnings from your licensed trade, please go to GOV.UK to check if you need to register as soon as possible:

- if you're an employee, find information on Pay As You Earn (PAYE) by going to GOV.UK and searching 'How you pay income tax'
- if you're self-employed, find information on registering for Self Assessment by going to GOV.UK and searching 'Register for Self Assessment'
- if you operate through a company, find information on Corporation Tax by going to GOV.UK and searching 'Corporation Tax'

If you should have been registered to pay tax and have not been, HMRC will work with you promptly and professionally to get you back on the right track. It's your responsibility to get your tax right, but HMRC is here to help.

You can get help from HMRC if you need extra support, for example if you need information in a different format or need help filling in forms. Visit GOV.UK and search 'Get help from HMRC if you need extra support'.

For further guidance on the tax check go to GOV.UK and search 'Complete a tax check for a taxi, private hire or scrap metal licence'.