

ZEAL's Tax Checklist for the New Financial Year

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APRIL



The abundance of tax changes to the short-term let sector has left many owners feeling anxious and overwhelmed.

Zeal have prepared an essential checklist that all short-term let owners should follow to ensure they understand their new tax responsibilities, maximise their tax efficiency whilst remaining 100% compliant, and take advantage of all tax benefits available to them, before it's too late.



Don't miss the Capital Allowances deadline.

If you started your short-term let before 6th April 2025 (1st April for Limited companies), you could be eligible to claim an 'extra' level of tax relief on the costs you spent to purchase, build or refurbish your property. As a specialist type of capital allowances, this **cannot typically be claimed by an accountant**. Unlocking this unclaimed tax relief can generate thousands of pounds in cash refunds and future tax savings BUT, the deadline to secure the available tax benefit is **31 January 2027**.

Zeal offer a free, no-obligation capital allowances review and tax savings estimate. Arrange yours for a time and date that suits you [here](#).

READ MORE



Understand how the new tax landscape affects you.

With the abolition of the Furnished Holiday Let tax regime from April 2025, the short-term let sector has faced the biggest tax shake-up in over 40 years. As an owner, it's imperative that you understand these changes, how they may apply to you and what you can do to minimise the impact on your business. Zeal has written a detailed eBook to provide owners with a full understanding of everything they need to know and actions they can consider. You can access this eBook for free on Zeal's Tax Resources Hub.



Prepare for Making Tax Digital (MTD).

From April 2026, if your rental income is above £50,000, you will need to submit your income and expenses digitally to HMRC, every 3 months. July 2026 will be the first quarter filing date.

Even if you're not mandated yet, MTD is coming for everyone and preparing early will make the transition smoother. You will need to do MTD from 2027 if your income is over £30,000, and from 2028 if it is over £20,000. An all-inclusive MTD guide including a review of several MTD compliant software is available on Zeal's Free Resource Hub.





Review if your short-term let business is structured tax efficiently.

If you own a short-term let in your personal name, you may be wondering if transferring ownership to a Limited company (called incorporating) would be more tax advantageous. Many factors come into play when determining the best structure for your situation. If you are considering incorporation, make sure you take professional advice.

You can find more information about owning a short-term let in a Limited company and other business structures on Zeal's Free Resources Hub.



Claim all your tax-deductible expenses.

Now that the Furnished Holiday Let tax legislation has been abolished, there are new rules around what expenses can and can't be deducted to reduce taxable profit. Make sure you take advantage of everything you are able to claim! Help-sheets on tax-deductible expenses are available on Zeal's Tax Resources Hub.



Additional words of wisdom from Matt Jeffery

FHL Tax Specialist & Zeal Managing Director

1. Do your 2025/2026 tax return ASAP.

As this will be the first tax return you file under the new rules, completing it as early as possible will ensure you give yourself time to seek advice where you need it. Your tax liability may also be higher following the implementation of the changes so finding out what tax you will owe in January 2027 sooner rather than later can avoid any last minute, unexpected surprises.

2. Be aware of new ratings for Business Rates (and the back-log to switch to Business Rates).

With the implementation of the new ratings list from April 2026, this could mean potentially higher rateable values for some owners. Whilst it is anticipated that the changes will not impact most owners, be prepared to challenge the new ratings for your FHL.

3. Make use of Zeal's Free Resource Hub.

From tax articles, help sheets and videos, to guides and eBooks, you can find information on a wide variety of tax topics, all at your fingertips. Zeal add a new resource every month on a relevant tax subject. Subscription is 100% free.



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