

**Deadline dates****1 February 2026**

£100 penalty and extended enquiry window if 2024-25 self-assessment tax returns not filed on or by 31 January 2026.

Payment of corporation tax liabilities for accounting periods ended 30 April 2025 for small and medium-sized companies not liable to pay by instalments.

**2 February 2026**

Form P46(Car) for quarter ended 5 January 2026.

**5 February 2026**

Employment intermediaries report for quarter to 5 January 2026.

**7 February 2026**

Due date for VAT returns and payment for 31 December 2025 quarter (electronic payment).

**14 February 2026**

Quarterly corporation tax instalment for large companies (depending on accounting year end).

Monthly EC sales list if paper return used – relevant only to businesses in Northern Ireland selling goods.

Application to defer class 1 National Insurance contributions (leaflet CA72A) for 2025-26, subject to approval of deferred employer(s).

**19 February 2026**

Pay PAYE, National Insurance, construction industry scheme (CIS) and student loan liabilities for month ended 5 February 2026 if not paying electronically.

File monthly CIS return.

**21 February 2026**

File online monthly EC sales list – relevant only to businesses in Northern Ireland selling goods.

**22 February 2026**

PAYE, National Insurance, CIS and student loan liabilities should have cleared HMRC's bank account.

**28 February 2026**

HMRC should have received corporation tax self-assessment returns for companies with accounting periods ended 28 February 2025.

**Inheritance tax****Threshold for business and farming assets raised to £2.5m**

The level of the inheritance tax agricultural and business property reliefs threshold will be increased from £1m to £2.5m when it is introduced in April 2026, the government announced on 23 December. This will allow spouses or civil partners to pass on up to £5m in qualifying agricultural or business assets between them before paying inheritance tax, on top of existing allowances.

As a result of this change, the government states that the number of estates claiming agricultural property relief (APR), including those also claiming business property relief (BPR), affected by the reforms in 2026-27 will halve from 375 to 185. Around 85% of estates claiming APR in 2026-27, including those that also claim for BPR, are forecast to pay no more inheritance tax on their estates.

Julie Butler, founding director at Butler & Co, said: 'The surprise increase to £2.5m of the allowance for 100% BPR and APR, along with the ability to transfer any unused amounts between spouses/civil partners announced in the Budget, was an early Christmas gift to farmers. Sight of the legislation will be needed for full clarity but this change will take the pressure off the majority of mid-sized family farms. There is still much work for the tax adviser, however, ensuring the 100% claims are robust. Attention returns to Agriculture Holding Act 1986 tenancies restricted to 50% APR and non-partnership property only achieving 50% BPR. The risk of the investment versus trading status (see *Balfour* [2010] STC 2666 and *Butler* (TC8949)) also remains, where all BPR could be lost. Current valuations will be essential to fully understand any weak areas and ensure other areas remain "safe" after thorough scrutiny, not just allowing ill-researched euphoria to cloud the judgment and logistics.'

The change is positive, said James Ward, partner at Kingsley Napley, but it will cause issues with the planning already done: 'A number of farmers have already gifted assets, often in a way they would rather not have done, and spent significant money on accountancy and legal fees. For instance, gifting assets to the next generation without adequate protection of those assets. Now all that planning is effectively worthless but has led to more complex ownership structures and potential family disagreements.'

David Lunn, partner at TWM Solicitors, said: 'One point really

jumps out from the announcement: the £5m figure being widely reported only applies if farmers are married or in a civil partnership. If a couple is cohabiting but not married or in a civil partnership, they will still be capped at £2.5m. While this is an improvement on the £1m threshold announced previously, it is a significant shift for farmers who have long assumed their APR and BPR assets would be exempt without limit.'

'For those with farm or business assets worth more than £2.5m, this creates a powerful incentive to consider marrying a long-term partner – something that may not previously have felt necessary where inheritance tax was not seen as a concern under the current rules, due to change in April 2026.'

The announcement would be a relief to many, said National Farmers' Union president Tom Bradshaw. 'We have spent the past 14 months campaigning and lobbying to try and mitigate the worst impacts of the proposals. After it became clear that this policy wasn't going anywhere, we have focused our campaign to mitigate the worst of its impacts for the majority.'

\*He said: 'I have had two very constructive meetings with prime minister Sir Keir Starmer and dozens of conversations with Defra secretary of state Emma Reynolds. She has played a key role underlining the human impact of this tax.'

Mr Bradshaw thanked the Labour backbench MPs who were contacted by farmers and growers and stood by their constituents by abstaining on the vote on Budget Resolution 50. 'While small in number, it was a significant and brave move for many. We have spent the past year working with them and there's no doubt their interventions behind the scenes have also played a huge role' in securing the change. He also thanked all opposition parties 'for continuously raising the impacts of this proposed policy'.

Toby Tallon, tax partner at S&W, said the move was welcome but did not go far enough. 'In my view, and many others, it's simply a bad policy that should be scrapped, not just amended. At the very least, the government should put a pause on these proposals, to properly consult on the damage it will do to individuals, communities and the country.'