

Changes for taxi, private hire or scrap metal licence applications from 4 April 2022

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Contents

Changes for taxi, private hire or scrap metal licence applications from 4 April 2022.....	1
What's changing	2
What you will need.....	2
What you should do before April 2022	3
Get a Government Gateway user ID and password	3
When a Tax Check is not required	3
What a tax check is	3
Applying for more than one licence	3

What you need to do to meet new rules if you're applying for a taxi, private hire or scrap metal licence on or after 4 April 2022.

What's changing

The rules are changing if you are an individual, company or any type of partnership applying for a licence for a:

- taxi (HC) driver
- private hire driver
- private hire vehicle operator (PH Operators)
- scrap metal site
- scrap metal collector

If you make an application on or after 4 April 2022 you will need to complete a tax check if you are:

- renewing a licence
- applying for the same type of licence you previously held, that ceased being valid less than a year ago
- applying for the same type of licence you already hold with another licensing authority

You must carry out the tax check yourself. You cannot ask a tax agent or adviser to do this on your behalf.

The tax check will ask questions about how you pay any tax that may be due on income you earn from your licensed trade.

After you have completed the tax check you will be given a 9-character tax check code.

You will need to give the code on your application to the licensing authority, so they can confirm you have carried out a tax check.

You will not be granted a licence if you do not give a tax check code to your licensing authority.

You will be able to complete a tax check **from 7 March 2022**.

What you will need

To carry out a tax check, you need a Government Gateway user ID and password. If you do not have a user ID, you can create one when you start the check.

You'll also need to know:

- when you first got your licence
- the length of your most recent licence
- how you pay tax on the income you earn from your licensed trade

You will not be able to complete the tax check if the information you give about your tax affairs does not match HMRC's records.

What you should do before April 2022

Get a Government Gateway user ID and password

You will need a Government Gateway user ID and password to complete a tax check, so you should make sure you have one before you need to make your licence application.

If you do not have a user ID, you can create one by [registering for HMRC online services](http://www.gov.uk/log-in-register-hmrc-online-services/register) (www.gov.uk/log-in-register-hmrc-online-services/register).

When a Tax Check is not required

You **will not** need to complete a tax check, and you should follow the [confirm your tax responsibilities guidance](http://www.gov.uk/guidance/confirm-your-tax-responsibilities-when-applying-for-a-taxi-private-hire-or-scrap-metal-licence) (www.gov.uk/guidance/confirm-your-tax-responsibilities-when-applying-for-a-taxi-private-hire-or-scrap-metal-licence), if you have:

- never held a licence of the same type before
- had a licence of the same type that ceased to be valid a year or more before making this application

Please ensure you review the below Gov.uk website addresses for HMRC guidance about tax registration obligations:

- [PAYE information](http://www.gov.uk/income-tax/how-you-pay-income-tax): (www.gov.uk/income-tax/how-you-pay-income-tax)
- [registering for Self Assessment](http://www.gov.uk/register-for-self-assessment): (www.gov.uk/register-for-self-assessment)
- [Corporation Tax information](http://www.gov.uk/corporation-tax): (www.gov.uk/corporation-tax)

What a tax check is

A tax check confirms that you are registered for tax, if necessary.

After you complete the tax check you will be given a code. You must give it to the licensing authority with your licence application, they will not be able to process your application without it.

Tax check codes expire after 120 days, so if you make a licence application for another licence after that time you will need to carry out a new tax check for it.

If you are a partner making a licence application on behalf of a partnership you must complete a tax check for yourself. Your licensing authority will tell you if any other partners also need to complete a tax check.

Applying for more than one licence

You can use one tax check code for more than one licence application, as long as all the applications are for the same type of licence (for example, they are all for taxi driver licences but with different licensing authorities).

If you are applying for different types of licence (for example, a private hire driver licence and a private hire vehicle operator licence) you must complete a tax check for each one.

Please note that HMRC has powers to obtain information from Licensing Authorities. Schedule 23 to Finance Act 2011 (Data Gathering Powers) and Schedule 36 to Finance Act 2008 (Information and Inspection Powers), grant HMRC powers to obtain relevant information from third parties. This includes licensing bodies being required to provide information about licence applicants.