

TaxKiln, Tax code dispute letter to HMRC

[Your full name]

[Your address]

[Date]

HM Revenue and Customs

PAYE & Self Assessment

BX9 1AS

NI Number: [NI]

UTR (if applicable): [UTR or "N/A"]

Subject: Dispute of incorrect tax code [current code] for [tax year]

Dear Sir or Madam,

I am writing to dispute the tax code [current code] issued for tax year [YYYY/YY], which is producing incorrect PAYE deductions.

My current details:

- Employer / pension provider: [Employer name]
- PAYE reference: [PAYE ref]
- Current tax code: [current code]
- Tax code start date: [date or "from 6 April YYYY"]
- Expected / correct tax code: [expected code, e.g. 1257L]

Why the current code is wrong (select all that apply; delete the rest before sending):

Incorrect Personal Allowance

The code [current code] gives a tax-free amount of GBP [X], but my correct tax-free amount should be GBP [12,570 or adjusted figure], reflecting [standard PA / Marriage Allowance transferee / transferor / Blind Person's Allowance / other].

Incorrect benefits-in-kind estimate

My P11D for [year] showed BIK of GBP [Y]. HMRC's estimate for the current year appears to be GBP [Z], which is incorrect because [benefit ceased / reduced / job change]. Correct expected BIK for [YYYY/YY] is GBP [correct amount].

Ghost employment from prior job

HMRC's record appears to still show me as employed by [previous employer, PAYE [ref]], which I left on [date]. P45 was issued on [date] (copy enclosed). Please remove this employment + issue an updated code reflecting only my current employment with [current employer].

Prior-year underpayment adjustment where no underpayment exists

The code [current code] includes a deduction for prior-year underpayment of GBP [A]. I do not have any prior-year underpayment because [reason]. Please review + remove this adjustment.

K code (negative allowance) where none should apply

The code starts with K (or includes a negative-allowance adjustment) producing an effective negative tax-free amount of GBP [B]. I do not have BIK, untaxed income, or prior-year adjustments justifying a K code.

Multiple employments / pensions producing duplicated allowance issues

I have [N] sources of PAYE income:

- [Employer 1]: PAYE [ref], code [code]
- [Employer 2 or pension]: PAYE [ref], code [code]

Allocation is incorrect because [reason]. Please reallocate the Personal Allowance to [primary employment] with code 1257L, + issue BR / D0 / D1 / 0T codes to secondary sources as appropriate.

Impact + requested action:

Based on the incorrect code I have been [over-paid / under-paid] tax by approximately GBP [X] per month / year-to-date.

I request that HMRC:

1. Review my current code in light of the above.
2. Issue an updated code reflecting my correct tax-free amount.
3. Refund any over-paid tax (via subsequent payslip adjustment or direct refund).
4. Confirm the correct expected liability for the tax year.

If you require any further information (P45, P60, P11D copies), please contact me using the details below. Copies enclosed for the most relevant supporting documents.

Yours faithfully,

[Signature]

[Printed name]

[Phone]

[Email]

Enclosures: [list, e.g. "copy of latest payslip; P45 from previous employer; P60 for prior tax year"].

Notes for the sender (delete before sending):

- Online dispute via personal tax account is faster than letter.
- For urgent K-code hardship, also phone HMRC PAYE 0300 200 3300.
- Statute: Income Tax (PAYE) Regulations 2003 (SI 2003/2682); ITA 2007.