

# GP TAX NEWSLETTER 2026.

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**Key tax, pension, and compliance updates for GPs and practice owners,  
with practical guidance to help you stay informed and plan ahead.**



# Welcome to the 2026 edition of our GP Tax Newsletter.

The past year has seen a number of important developments across the NHS Pension Scheme, personal tax legislation, and practice compliance requirements. Many of these changes carry important financial implications for GPs, practice partners, and surgery owners particularly around pensions, Making Tax Digital, VAT, and long-term estate planning.



Our specialist healthcare team has prepared this newsletter to highlight the key updates you need to be aware of, along with practical guidance on how they affect you and your practice. From the ongoing McCloud Remedy delays to the abolition of the Lifetime Allowance and the new digital reporting requirements coming in 2026, our aim is to provide clear, GP-focused insight to help you plan confidently.

If any of the topics raised impact you directly, or if you would like a personalised review, please get in touch. We are here to support you throughout the year.

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# McCloud Remedy: Ongoing Implementation Delays.

The NHS Pension Scheme continues to work through the complex rollout of the McCloud Remedy, with many affected members still awaiting their **Remediable Pension Savings Statements (RPSS)**.

The NHS Business Services Authority (NHSBSA) has confirmed ongoing delays due to:

- ✓ Underestimation of the administrative workload
- ✓ Complexity and volume of GP pension data
- ✓ Errors arising during the processing of statements

After an initial surge in statements, issuing has now become irregular and inconsistent.

## Action required:

**Please forward any documentation from NHS Pensions to us as soon as it is received, particularly your RPSS.**

**Please click here for more details**

## How Xeinadin can help

Once your RPSS is received, we can complete the public service pension adjustment disclosure and provide tailored advice. In many cases, our fees may be reclaimable through the **NHS Cost Claim Back Scheme**, and we can assist you with the process.



# Annual Allowance: Thresholds Unchanged for 2026/27.

## Action required:

The pension Annual Allowance remains at £60,000, with tapered Annual Allowance applying for adjusted incomes above £260,000.

[Please click here for more details](#)

## How Xeinadin can help

If you are concerned about breaching the Annual Allowance, we can prepare calculations using your current pension information to assess your exposure and options.



# Lifetime Allowance Abolition.

From **6 April 2024**, the Lifetime Allowance (LTA) was abolished and replaced by two new limits:

- **Lump Sum Allowance (LSA):** £268,275
- **Lump Sum & Death Benefit Allowance (LSDBA):** £1,073,100 (standard), with variations for protection holders

These limits determine the amount of pension that can be taken tax-free, rather than restricting overall pension size.

**Please click here  
for more details**

## How Xeinadin can help

### We can help you:

- ✓ Review whether you hold any existing LTA protections
- ✓ Ensure all protections remain valid
- ✓ Support you with your plans for drawing benefits across the 1995, 2008 & 2015 schemes
- ✓ Work with specialist financial advisors



# Making Tax Digital (MTD): Mandatory from April 2026.

MTD for Income Tax becomes compulsory from 6 April 2026  
for sole traders and landlords with income above £50,000.

## For GPs and GP partners:

- Many GP partners will fall within the threshold due to self-employment and rental income levels
- Digital record-keeping and MTD-compatible software will be mandatory
- Quarterly submissions along with a final declaration will replace traditional annual return processes

You should already have heard from us if you are affected, but please get in touch if you would like to discuss your position.

**Please click here  
for more details**

## How Xeinadin can help

**We can tailor our support  
to your preferred level of  
involvement:**

- ✓ Fully outsourced bookkeeping and quarterly submissions
- ✓ Hybrid approaches
- ✓ Or support for those wishing to submit their own quarterly returns

**All fee quotes are bespoke and  
based on the level of service  
required.**



# Inheritance Tax: Frozen Allowances & New Relief Caps.

Inheritance Tax (IHT) remains a key planning area for GP partners and surgery owners, particularly with significant reforms taking effect from **April 2026**. Although the 40% tax rate remains unchanged, frozen allowances and tightening of reliefs increase the likelihood of an IHT liability.

[Please click here  
for more details](#)

## How Xeinadin can help

We provide comprehensive, personalised IHT planning including:

### Tax-Efficient Restructuring

- ✓ Trust planning
- ✓ Efficient intergenerational gifting
- ✓ Spousal planning

### Cashflow & Scenario Modelling

We illustrate the impact of:

- ✓ Frozen allowances
- ✓ Relief cap changes
- ✓ Property appreciation
- ✓ Business growth



### You may benefit from advice if you:

- Own a GP surgery or share of one
- Have an estate approaching or exceeding £1m
- Hold AIM or other unlisted investments
- Expect to inherit significant assets
- Haven't updated your will in 5+ years
- Want to explore trusts or restructuring

# Retirement Options.

Since **1 October 2023**, GP partners across all NHS pension schemes (including the 1995 Section) can access **Partial Retirement**.

## GPs aged 55+ can now:

- Draw between **20%** and **100%** of their pension
- Continue working and accrue new pension benefits in the 2015 Scheme

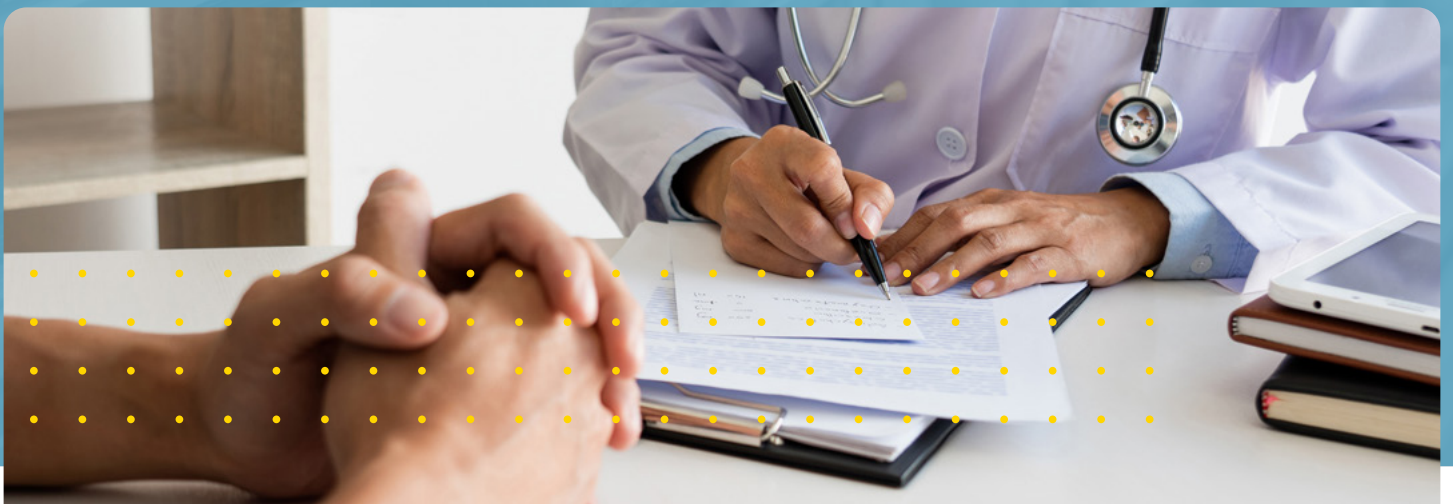
Although pensionable pay must be reduced by at least 10% for 12 months, this option needs to be carefully considered alongside the historic 24 Hour Retirement approach..

**Please click here  
for more details**

## How Xeinadin can help

### We support by:

- ✓ Working with your financial advisors regarding modelling retirement and Partial Retirement scenarios
- ✓ Forecasting pension growth and tax impacts
- ✓ Advising on contract adjustments and profit share implications
- ✓ Coordinating with financial advisers on drawdown timing
- ✓ Helping practices plan staffing and financial changes



# VAT for Primary Care: Increased HMRC Scrutiny.

VAT remains complex for GP practices due to the mainly exempt nature of clinical work. HMRC scrutiny of primary care has increased, particularly regarding VAT groups, PCN structures, and shared staffing arrangements.

[Please click here  
for more details](#)



## How Xeinadin can help

We offer specialist VAT support including:

- ✓ Classification of all income streams
- ✓ VAT planning for PCNs, federations & provider groups
- ✓ Staff supply VAT assessments
- ✓ Partial exemption and VAT recovery reviews
- ✓ Support with HMRC enquiries
- ✓ VAT training for practice leaders

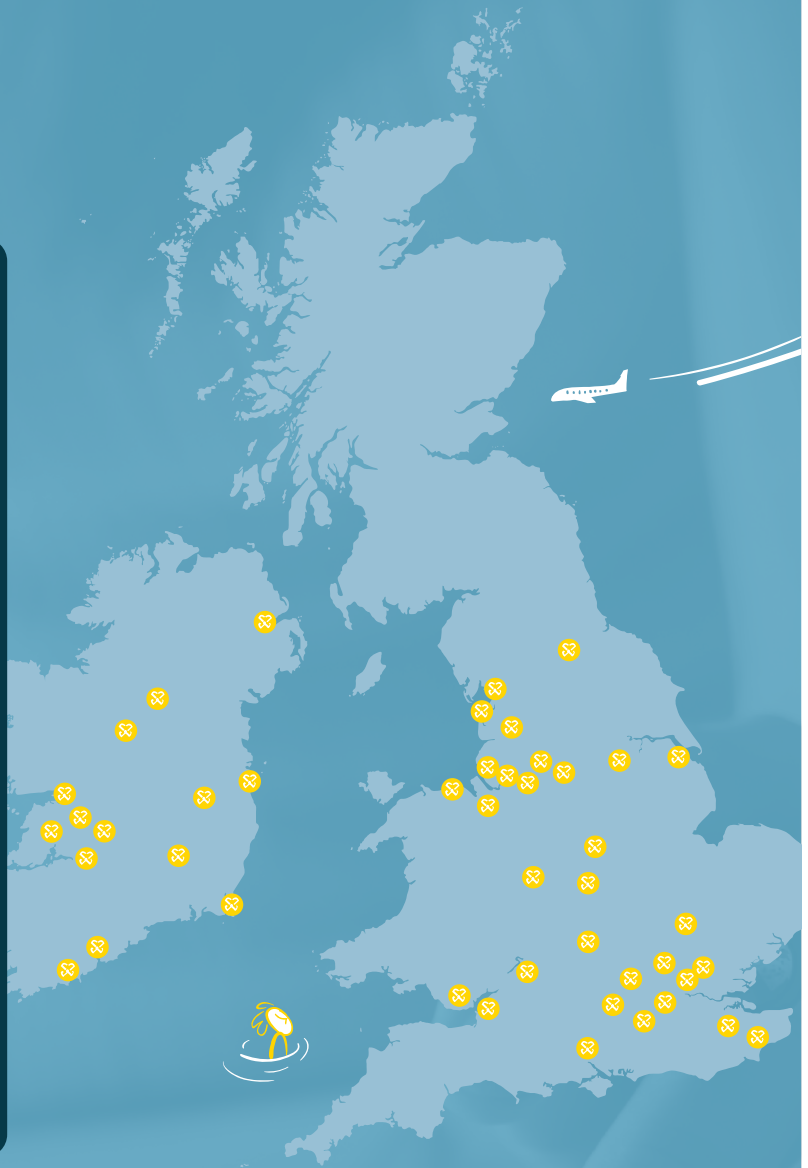




## How Xeinaadin Supports GP Practices

We offer a full suite of GP-specific tax and accounting services:

- ✓ Specialist GP accounts
- ✓ Self-assessment tax returns
- ✓ PAYE and payroll compliance
- ✓ Partnership accounts & drawings modelling
- ✓ Pension tax & Annual Allowance planning
- ✓ MTD transition support
- ✓ PCN financial structure advice



# We are Xeinaadin.

## Xeinaadin Specialist Doctors and Healthcare Offices

Our Eastbourne and Sittingbourne offices are members of the Association of Independent Specialist Medical Accountants (AISMA).



To find out more,  
scan here