

Welcome to our monthly newsletter for property landlords. We hope you find this informative and please contact us to discuss any matters further.

Making Tax Digital for Income Tax – It's just days away!

The commencement of Making Tax Digital (MTD) for income tax is now just days away! This is the new regime for self-employed individuals and landlords that will start to apply from 6 April 2026 if they have business and/or property income (i.e. total takings, not net profits) of more than £50,000 per annum. The regime requires digital record-keeping and quarterly updates to HMRC, with the first such update due by 7 August 2026.

The final MTD Regulations were laid before Parliament on 24 March 2026.

If you are one of the 860,000 individuals moving into the new regime from April 2026, HMRC are also keen to stress that a normal annual tax return will still be required for the tax year to 5 April 2026. This means that in addition to providing HMRC with quarterly updates on the year to 5 April 2027 *during* that tax year, your annual 2025/26 tax return will still need to be filed by 31 January 2027.

We have been assisting our clients with the move to digital record-keeping. Please do reach out if we are not already planning your transition into this new digital regime.

Renters Rights Act 2025: discrimination rules for landlords to consider

The Renters Rights Acts contains clauses that provide protections against discrimination from landlords and letting agents due to them being on benefits or having children.

The clauses will take effect in England from 1 May 2026. Similar anti-discrimination rules will come into force in Wales from 1 June 2026 and in Scotland from an unannounced future date.

Landlords who have a policy of not accepting tenants on benefits or with children are at risk of being fined by their Local Authority under the Renters Rights Act. This is in addition to the risk of being sued under the Equality Act if the tenant can prove indirect discrimination.

This does not mean that a landlord must accept tenants who are on benefits. The Renters Rights Act sets out that a landlord can take a potential tenant's income into account, so if it is obvious that a tenant will not be able to afford the rent, the landlord can reject them without risk of being fined.

If there are several potential tenants applying for a single property, the landlord should document their reason for choosing a particular tenant. If the reason is not based on the protected characteristics in the Equality Act and not specifically due to benefits or children, the landlord should be protected against compensation claims and fines.

We recommend that landlords keep copies of all adverts, application forms and notes of their decision-making process. These should be kept for at least six years as this is the time limit for compensation claims.

Buy-to-let mortgages: 2026 outlook

In our February edition of this newsletter we reported on the optimistic outlook for mortgage rates in 2026.

This was largely attributable to the recent Bank of England base rate cuts. The base rate then dropped again in February, from 4% to 3.75%.

The ongoing conflict in the Middle East is causing legitimate concerns around energy-driven inflation, however. On 19 March, the Bank of England decided to maintain the base rate at 3.75%. Analysts are now less optimistic about the prospect of further cuts to the base rate in 2026.

For those looking to remortgage in 2026, this could cause some problems. Many of these secured mortgages back in 2021 when rates were extremely low. Moving from a rate below 2% to a 5% rate could have a significant impact.

Moneyfacts, a market comparison website, reported that average mortgage rates are increasing. They recommend that borrowers nearing the end of fixed-term deals should act quickly to secure a new deal – the shelf life of mortgage deals is decreasing as lenders face interest rate uncertainty and delaying could add hundreds of pounds to borrowers' monthly repayments.

To read more see [here](#).

Renters Rights Act: Official document to be given to tenants

On 20 March the Government published 'The Renters' Rights Act Information Sheet 2026'. Landlords and their letting agents must legally give this information to tenants by 31 May 2026 to avoid risking a fine. They can give it to tenants as a hard copy or attached electronically as a PDF to an email.

The document can be accessed [here](#). It breaks down the key information that renters need to know - from stronger protections against rent increases to better rights to request pets - and scrapping Section 21 evictions, fixed-term assured tenancies and more.

For new tenancies (commencing on or after 1 May 2026) and existing tenancies without a written agreement, the landlord must give tenants a written statement setting out the key terms of their tenancy and other information, as required by law, by 31 May 2026. The information to be included in the written statement is set out [here](#).

Government confirms seven potential new towns

On 22 March the Government's Housing Department announced a list of seven sites where new towns could be built in England.

The areas are: Tempsford, Leeds South Bank, Crews Hill and Chase Park, Manchester Victoria North, Thamesmead, Brabazon and West Innovation Arc and Milton Keynes.

The list of potential development areas has been narrowed down, with six sites being removed from the scheme, including a site in Cheshire which led to protests outside council meetings.

Developments on the new sites could range from standalone new developments to expansions of existing towns and regeneration schemes within big cities. The new sites will play a key role in helping the Government meet its election pledge to build 1.5 million new homes in England.