

GUIDE FOR SOLE TRADERS

#1 CRITERIA

- You're running your own business as an individual or you work for yourself
- If your trading income is >£1,000 excluding your expenses

#2 TYPES OF INCOME

- Inclusive of your main income, it can also include other forms such as, dividends, interest, rental, capital gains, child benefit
- If you earn over £100,000 you will automatically need to file a tax return
- A director of a company

#3 DEDUCTIBLE EXPENSES

- You can record on the cash basis
- Can include variety of expenses, but not limited to travel, office, clothing, advertising & marketing, training etc

#4 DOCUMENTATION

- You need to keep proof of all documentation, i.e. sales and expenses receipts for a minimum of **5 years** after the submission of your tax return

#5 DEADLINES

- You must tell HMRC by **5th October** if you need to complete a self-assessment but not done one before
- Paper returns are due **midnight 31st October**
- Online returns are due **midnight 31st January**
- The above also includes **payment of overdue taxes**



Failure to submit on time will result in a **£100 penalty plus incur interest!**

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...SO DO YOU REALLY NEED AN ACCOUNTANT?

There is no legal obligation to hire an accountant for self-assessment tax returns; you can file on your own. However, the process may be confusing for beginners, and errors or missed deadlines can lead to fines!

Or we can do it for you!

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ACCOUNTANTS**

