

Wilkinson and Partners

Network Marketing & Tax



A straightforward Guide

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An Introduction

This guidance has been prepared to provide a brief outline of the tax and accountancy rules that are likely to apply to your business. It is not designed to replace the need for an accountant.

This guide has been designed to help you with the following

Notify HM Revenue & Customs of your self-employment

Keep track of financial accounts

Maintain adequate business records

Understand the basis of self assessment

Prepare annual accounts

These notes are intended as a general introduction only and advice should be sought in respect of your own individual circumstances. Wilkinson & Partners Limited would be happy to discuss the subject with you in greater detail. No responsibility for loss occasioned to any person acting or refraining from acting as a result of the material in these notes can be accepted by Wilkinson and Partners Limited.

Registration

Registering your business with HMRC is the first step you must take, and this is done either as “self-employed” or in the name of the partnership. This should be done within 3 months of commencement and HMRC can charge penalties if there is a delay in registration.

This is a relatively painless process as for individuals there are only two forms to complete.

Firstly individuals will need to complete a CWF1 form which will provide HMRC with a few details about you and your business. It should take no more than 5 minutes to complete.

The next form to complete will be either a CA5601 or a CF10 and these forms relate to National Insurance. The self employed are liable to pay Class 2 National Insurance contributions. The rate varies each year, but for the year ended 5 April 2012 it is £2.50 per week which can be paid either 4-weekly or quarterly. Form CA5601 allows you to pay via a direct debit.

If your expected profits in the year are likely to be below an exemption limit then it is possible to claim exemption from this liability. The threshold changes each year, but for the year ended 5 April 2012 the limit is £5,315. Although you may be entitled to an exemption, you should think carefully before choosing not to pay as this payment will count towards a future state pension and this is especially the case if you are not paying any other form of National Insurance.

If you are already self-employed, you do not have to register again as HMRC already have you on their records.

If you are registering as a partnership then the process is slightly different as the partnership must complete a form SA400 and each partner an SA401. The National Insurance forms for a Partnership remain the same.

If you have been claiming Child or Working Tax Credits then you should also contact the Tax Credit helpline to check that your new business will not change any entitlement to tax credits.

Registration will give you a unique tax reference (UTR) which is necessary in order to file your tax return under the self assessment system.

Self-Assessment

Self Assessment is the system that HMRC use to collect tax from the self employed. Each year you will be required to file a personal tax return to HMRC giving details of your income and expenditure and calculation of your tax liabilities. The return will require details of all of your taxable income and not just that from your Network Marketing business. If you are also employed or have investment income then this will need to be added to the return.

The tax year finishes on the 5th April, and you have until the following 31st January to file a tax return online, or earlier by 31 October if submitting the paper versions. There is therefore up to 10 months before the deadline filing date, which should provide plenty of time. But please do not leave it until the last minute.

The form itself can be a little daunting, and you should take time and care to make sure you complete all of the sections correctly. The actual tax return comprises a main section giving personal details and the final tax either due or repayable, and then individual sections depending on the sources of income.

The rules for Partnerships are again a little different as the partnership as well as the individual partners will all need to complete a return.

There are penalties for late filing and higher penalties for not having adequate records, but in fact both of these can easily be avoided with a bit of planning.

There is no need to submit accounts or any other paperwork, but there is always a chance that the taxman may ask to see these later, so all bills and receipts must be kept for the next 6 years.

Record Keeping

In order to complete your self assessment tax return you will need to be able to prepare your accounts and to do so you need to keep good records.

Whilst you are able to choose which date to prepare your accounts, we would suggest that to keep matters simple that you prepare accounts to 31 March each year. This date is very close to the end of the tax year and for tax purposes HMRC will be able to treat this as being equivalent to 5 April. Choosing any other date can create tax complications either at the beginning or end of the business.

The first bit of advice would be to use a separate bank account to run your business. By keeping all of the income and expenditure in a single bank account then this will simplify the accounting process. Another advantage of a separate account is that if you are required to send your records to HMRC then they will only be looking at your business records and not where and how you spend your personal money.

The same applies for credit cards – if you will be using a credit card in your business then this card should be dedicated to your business and not used for other purposes.

As HMRC may enquire into the entries on a tax return, the records must be retained for a period of 6 years.

1. Obtain receipts for each item of expense
2. When you make a sale, you must keep a copy of the sales invoice for your own records.

You should maintain a cash book to record the income and expenses as they occur. This can either be in a written form or on a computer using a spreadsheet.

If your business requires that you buy products and hold these as stock then you should value stock at each year-end and adjust purchases during the year by adding opening and deducting closing stock to give a more accurate total of usage.

Special rules apply to VAT registered businesses and they will need to modify their record keeping.

When making retail sales if you are VAT registered, each invoice/sales receipt must carry your VAT number and show VAT element of the sale. These invoices should also be sequentially numbered.

You must obtain a VAT receipt for every item of expenditure in order to reclaim VAT, so in the case of a purchase by credit card you must get a receipt showing the VAT number of the supplier, as well as the credit slip.

Tax liabilities and Payment of Tax

As we have already mentioned, you will need to submit an annual tax return to HMRC to declare your income and to calculate the tax liability. Although under self assessment you calculate your own liability, HMRC will do this for you if you submit a manual tax return before 31 October and their online service will calculate the liability automatically. Depending upon the profit from your business, you may also be liable to Class 4 National Insurance.

Under self-assessment tax is payable on 31st January following the end of the tax year. Tax due for the year ended 5 April 2011 will be payable on 31 January 2012.

This will also include any Class 4 National Insurance that is due

If your tax bill exceeds £1,000, you will also pay a further 50% on 31st January (and again the following July) on account of the following tax year.

For example if the liability for the year is £1,200 then the payments would be

31 January	Previous year liability	£1,200
	1 st Payment on account	<u>£600</u>
		£1,800
31 July	2 nd payment on account	£600

The following January's tax liability would have been reduced by the two £600 payments leaving only the balance to be paid together with payments on account for the following year.

It is possible to reduce the following year payments on account where you can establish that the actual liability will be lower. You can then file a "claim to reduce" and reduce the payments on account to an appropriate amount, including "nil"

It is important to point out that HMRC will charge interest and penalties if either the tax return is late or the tax is paid late. HMRC have recently reviewed the penalty charges and they are due to increase significantly from next January.

VAT

In the previous section we indicated how VAT will impact on the record keeping. We should now look at VAT in a little more detail. If you are just starting in business then VAT may not be something that you need be concerned with.

The threshold from April 2011 for registering for VAT is a turnover of £73,000 per year, and in Network Marketing turnover is defined as your commission plus personal (not group) sales. You can register earlier if you wish, but at £73,000 calculated on a rolling 12-month period it is compulsory.

Registration is either on a “standard” basis, whereby you add VAT at the going rate (currently 20%) to income, and reclaim VAT you have suffered. The difference is then paid over to HMRC every three months.

As an alternative you can join the flat rate scheme which exists for businesses with a turnover of less than £150,000 per year. Using this method you charge VAT as normal but then pay over to HMRC a fixed percentage of your total turnover. The percentage varies depending upon business type and is subject to change. This is a much simpler system as it minimises changes to your accounting records.

As mentioned businesses trading below the registration threshold may voluntarily register for VAT. This is however unlikely to be worthwhile if your customers are the public and unable to reclaim any VAT that you charge as you would need to add 20% to your sale price.

The rest of this guidance assumes that your business will not initially be VAT registered. A supplement will be provided on request to any business that is or is intending to become VAT registered.

Accounts

The rest of this guidance focuses on the preparation of the annual accounts and the type of income and expenditure that you are likely to encounter. At the end of the section is a draft cashbook template that you might wish to use. Upon request we would be happy to provide you with a free excel version for you to use.

Income

Although all Network Marketing business are different, they are likely to have similar categories of income. If you are VAT registered, then you should ask us for our supplement for VAT a registered business.

- Sale of Product Retail – This category covers the sales to your retail customers. Enter the actually amounts received.
- Sale of Product Retail – These are sales which are made at cost or discounted rather than retail price.
- Commission – This can be described as commission, bonus, royalty and other items too – this is the monthly (or weekly) cheque or direct credits paid to you by your company as a result of you and your group’s performance during that time.
- Meetings Receipts – These are meetings organised by you to promote the product for which some fee may be charged. This would only apply to the organiser of the meeting who collects entry fees.
- Sundry Receipts – This column would be used to describe payments into the business that would not be from sales. Typically this would be money that you have personally introduced into the business.

Expenditure

The following list of expenses will not cover every scenario but are likely to cover the typical expenses incurred.

- Stock Purchases – This expense covers the cost of goods purchased for resale, demonstration and own use. Many Network Marketing Businesses will only purchase stock for resale once it has been ordered and so will not carry any stock, other than as samples. If your business purchases stock for later resale then an annual stock take will be required at the year end so as to calculate the true cost of stock sold during the year.
- Goods used as samples and purchased for own use should be shown separately.
- Motor Expenses – If you are using your car for business then you can claim tax relief on the costs incurred. There are two options available to you

Mileage Allowance – this allows you to claim 45p per mile for business use. The rate drops to 20p after annual business mileage exceeds 10,000.

Actual Costs – all motor expense costs are recorded, fuel, repairs, insurance, servicing etc and then a percentage of these costs are claimed based on the ratio of business to private miles. This method also allows for a claim for Capital Allowances on the devaluation of the car.

- Advertising and Promotion
- Printing, Postage & Stationery
- Travel Expenses – Non Motor
- Business Phone – This should include the cost of the phone used for the business. Unless you use a dedicated line then you should reduce the expense to reflect personal use. Internet charges can be included here.
- Bank Charges
- Meeting Expenses – include here the costs of business meetings
- Training Courses
- Other Expenses – include here any expense which does not fall into any specific category. It is useful to add a brief description of the expense.

Other Expenditure

Premises

As you are working from home you will be entitled to claim relief for the business element of household expenses such as heating and lighting etc. Although this expense is not actually included with the cashbook, you should add together the following annual costs

Council tax

Heat, light and power

Rent

Mortgage Interest

Specific repairs/redecoration to the part of the property used for business

Contents insurance provided the cover is business related

The proportion to claim is based on the number of rooms where work is undertaken could be done. For this purpose exclude kitchen, bathroom and WC, and add up bedrooms and reception rooms. If you have a 5 room house with one room used for business then a maximum 1/5 allowance could be claimed. If a room is used partly for business and private use then the claim would need to be reduced accordingly.

You should be aware that exclusive use a part of your property for business could impact upon Capital Gains tax on the sale of your property and so you should avoid 100% business use on any part of the property.

Capital Expenditure

It may be necessary for you to purchase equipment for the use of the business and an obvious example would be a computer. Because a computer has a working life of more than a year, the cost should not be shown within the accounts but Capital Allowances claimed instead. The Capital Allowance rules change on a regular basis, but at present it is possible to claim a 100% Annual Investment Allowance on this type of expenditure. An adjustment to the claim would be required for any private use.

Capital Allowances can also be claimed in respect of Cars, but the rules are quite complex and beyond the scope of this guidance.

Difficult Areas

Goods purchased for own use and Samples

The tax rules surrounding the use of goods for own use can be quite complex and needs further comment. Where goods are taken from stock for your own use then for tax purposes the items must be withdrawn from the business at their value and not their cost.

The rules may be interpreted slightly differently for businesses which only make purchases once an item has been ordered by a customer. In this situation the item that you purchase has never been held as stock within the business and so for tax purposes the sale takes place at cost rather than value.

Another complication is samples. The cost of these items can be deducted as an expense within the business. Once a sample product has been opened then it can no longer be sold and consequently has no value. It is therefore possible for you to personally use these items for demonstration purposes to your customers and for your own personal use once the product can no longer be used as a sample.

Meeting Expenditure

It is quite common for people within this industry to meet business contacts in a coffee shop or somewhere similar. The purpose of the meeting may be business, but HMRC may only consider that the cost of any drink is not part of a genuine meeting expense but entertainment. Entertainment costs are specially disallowed as a business expense. Whilst the following guidance is not guaranteed to grant relief, it does help to support the argument that the cost of the drink is merely incidental to the business meeting. Firstly, offer to meet at their house or yours and not just a coffee shop, secondly try and give the meeting a business structure with a 5 minute presentation about the product or opportunity, provide a handout or leaflet.

Whilst HMRC might agree that the cost of a coffee or similar will be acceptable, they are very unlikely to do so if food or alcohol is involved.

Getting Further Information

Hopefully you will have found this guidance useful. It will not have given you all of the answers, but hopefully it will have dealt with some of your questions and given you an idea of a few more to ask.

Further Guidance can be obtained from HM Revenue and Customs at www.hmrc.gov.uk. Their website contains a lot of useful information, although it is not always straightforward to find.

If you already have an accountant then you can ask them.

If you have yet to instruct an accountant then we would be pleased to assist you. You can find out more about us and download the individual HMRC registration forms from our website at www.wilkinsonpartners.co.uk.

As well as providing this guidance leaflet, we have also now launched our accountancy service aimed directly at your type of business. Our service has been structured on a very low cost basis starting at a very competitive annual fee of £150 including VAT for completion of your accounts and tax return.

Further details of this service and a registration form are on the next pages.

If you have any queries concerning the service then please give us a call.

PAYMENTS IN MONTH

MARCH

Insert Name Here

Date	Supplier / Details	Total	Stock Purchases	Motor Expenses	Adverts / Promotion	Printing, Postage & Stationery	Travel Expenses	Phone Business Use %	Business Bank A/C Charges	Meeting Expenses	Training Courses	Sundry Expenses
Total		£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00

Wilkinson & Partners

Network Marketing Tax Service

We have created a low cost version of our accounting service aimed directly at businesses within the network marketing industry. We will prepare annual accounts and a tax return which we will file with HM Revenue & Customs on your behalf.

Our fee structure for this service is based upon the annual turnover of your network business.
(All of these prices include VAT)

Level One Service

Suitable for businesses with annual sales/commission of up to £3,000. £150

Level Two Service

Suitable for businesses with annual sales/commission between £3,000-£5,000. £175

Level Three Service

Suitable for businesses with annual sales/commission between £5,000-£12,500. £225

Level Four Service

Suitable for businesses with annual sales/commission between £12,500-£25,000. £300

Level Five Service

Suitable for businesses with annual sales/commission over £25,000. Price on application

Our fees are based upon the following:

- 1) You will provide us with a suitable cashbook (paper or computerised) and supporting bank statements and receipts no later than 31 August (15 November 2011 in respect of the 2010/2011 tax year).
- 2) You will provide all details of any other income that you have had during the tax year, supplying P60 certificates, bank interest certificates.
- 3) You will provide a copy of your tax return or other notifications of your UTR Number.
- 4) You will respond within three weeks to any requests for information that we send to you.
- 5) Our standard fee for completing the accounts and tax return will include the following in addition to your network marketing income.

Up to two employments / pensions

Up to five bank accounts or quoted shareholdings

- 6) We will provide you with one copy of your accounts and tax return for your approval.
- 7) The service will entitle you to one phone call to our tax advice line per annum (maximum 15 minutes duration). This call will allow you to raise any tax query not directly relating to the completion of your accounts and tax return.
- 8) Our fees will be payable in full within 30 days. We reserve the right to charge a £10 administration fee if payment is delayed.

Additional fees

Late submission of information	
September, October, November	25% Supplement *
December to 15 January	50% Supplement
On or after 16 January	75% Supplement

Poor Record Keeping	
Problems will be highlighted for you to correct. But if remains unsatisfactory.	25% Supplement

Non Standard Tax Returns

Each additional Employments/Pensions	£10
Each additional Investment income	£5
Income from a Rental Property	£50 per property
Capital Gains	Fee to be agreed
Registration of Self employment with HMRC, if required	£15 for an Individual £25 for a Partnership
Review of PAYE tax Codes	£10 per tax code
Additional tax advice line support (max two 15 minute calls per annum)	£15 per annum

* This supplement will not apply in respect of the 2010/2011 year

Wilkinson & Partners

Network Marketing Tax Service

I wish to subscribe to your Tax Service.

Signed.....

Name.....

Address.....

.....

.....

National Insurance number.....

UTR number (if allocated).....

Have you advised HMRC of your Self-employment? Yes / No

If not yet registered then would you like us to organise? (fee applies) Yes / No

Contact telephone number.....

Email address.....

Please supply a copy of two forms of identification.

Becoming self-employed and registering for National Insurance contributions and/or tax

You must tell us when you start working for yourself – that is when you become self-employed.

The easiest way is to call the Self-Employed Registration Helpline on

08459 15 45 15

Check this form first for the details you must give to the operator.

You can also

- fill in this form and post it to

**National Insurance Contributions Office
Central Agent Authorisation Team
Longbenton
Newcastle upon Tyne
NE98 1ZZ, or**

- take it to any HM Revenue & Customs office.

Please tick the box if you would like us to send you a copy of 'Starting up in business' guide after you have registered. Or you can find it on the website at www.hmrc.gov.uk/startingup

If you are going to do all your work for one person or firm, you may be an employee. For more information you can

- visit any HM Revenue & Customs office, or
- telephone the Self Assessment Helpline on **0845 9000 444**.

If you delay telling us you are self-employed for three months or more you may have to pay a penalty of £100. If you know you are registering late, please tell us the reason for the delay on a separate piece of paper.

(Please complete this form in CAPITALS)

Yourself

Mr, Mrs, Ms, Miss
or other title

First names

Surname

Your date of birth (for example 09/08/1972)

Day Month Year

Your National Insurance number

Letters Numbers Numbers Numbers Letter

Address

Postcode

Your home phone/mobile number

Your home e-mail address

Please tell us your most recent tax reference number. If previously employed it will be the employer reference shown on your PAYE end of year form P60 or P45 or if previously self-employed it will be the ten digit reference (under UTR) in the top left hand corner on page 1 of your Tax Return.

If you are not a UK resident, and within the last 12 months have come to the UK from abroad, please tick the box.

If you are employed as well as working for yourself

If you have any paid employment in addition to being self-employed please enter your employer's name and address details below.

Employer

Address

Postcode

Your business

When did you start working for yourself?

Day

Month

Year

What sort of self-employed work do you do?

If you intend working as a subcontractor in the Construction Industry you must have a HM Revenue & Customs registration card to get paid. To find out how to get one contact any HM Revenue & Customs office immediately.

Your business continued

Please tick the box if you are a Share Fisherman (see leaflet CA11 for further information).

Please tick the box if you are on the New Deal 25+ scheme.

What is your business name and address?

Name
Address
Postcode

Your business telephone number

Your business e-mail address

What is your position in the business? For example, sole trader, partner.

Do you have any business partners? *✓ tick as appropriate*

Yes No

If you have business partners they also must register as individuals for National Insurance contributions.

Business partner's full name

Business partner's National Insurance number

<small>Letters</small>	<small>Numbers</small>	<small>Numbers</small>	<small>Numbers</small>	<small>Letter</small>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Business partner's address

Address
Postcode

If you have more than one partner please write their names, addresses and National Insurance numbers on a separate piece of paper and send it to us with this form.

If you are, or will be, doing all your work for one person or firm, please enter their name and address.

Full name
Address
Postcode

How to pay your Class 2 NICs

For tax year 2005-06 self-employed National Insurance contributions are £2.10 per week.

To arrange payment of your National Insurance contributions just fill in the Direct Debit mandate attached.

If you are unable to pay by Direct Debit we will arrange to send you a bill every 13 weeks. These will be issued in January, April, July and October.

If you expect your income from the business to be below £4,345 for the tax year 6 April 2005 to 5 April 2006 you may not have to pay National Insurance contributions. If you would like more information on the Small Earnings Exception (SEE) tick the box.

Employing someone else

If you are thinking of taking someone on, or already employ someone else, please phone the New Employer's Helpline on **0845 607 0143**. Or tick the box and we will send you more information.

VAT

Please read the note about VAT in the attached leaflet. If you would like a VAT registration application form tick the box.

Signed

Date

<small>Day</small>	<small>Month</small>	<small>Year</small>
<input type="text"/>	<input type="text"/>	<input type="text"/>



Application to pay Class 2 contributions by Direct Debit

Please fill in the whole form and return to

National Insurance Contributions Office
Self Employment Services
Application Processing Centre
Longbenton
Newcastle upon Tyne
NE98 1ZZ

1 National Insurance number

Letters Numbers Letter

--	--	--	--	--

6 Date of birth

				1	9		
--	--	--	--	---	---	--	--

2 Date self-employment started

--	--	--	--	--	--	--	--

7 Address

Postcode

3 Would you like us to collect contributions due from the start of your self-employment with the first Direct Debit payment? Yes No

4 Surname and first two initials

--	--	--

8 Daytime telephone number (including the STD code)

STD code Telephone number

5 Title (ie, Mr, Mrs, Miss, Ms)



Name(s) of account holder(s)

Bank/Building Society account number

--	--	--	--	--	--	--	--

Branch Sort Code

--	--	--	--	--	--

Name and full postal address of your Bank or Building Society

To: The Manager	Bank/Building Society
Address	
Postcode	

Instruction to your Bank or Building Society to pay by Direct Debit



Originator's Identification Number

9	9	1	1	3	3
---	---	---	---	---	---

Reference Number (National Insurance number)

--	--	--	--	--	--	--	--

Instruction to your Bank or Building Society.
Please pay the Inland Revenue National Insurance Contributions Office Direct Debits from the account detailed in this instruction subject to the safeguards assured by The Direct Debit Guarantee. I understand that this instruction may remain with the National Insurance Contributions Office and, if so, details will be passed electronically to my Bank/Building Society.

Signature(s)

Date

About Direct Debit

How to apply to pay by Direct Debit

Fill in the application form overleaf and send it to

National Insurance Contributions Office
Self Employment Services
Application Processing Centre
Longbenton
Newcastle upon Tyne
NE98 1ZZ.

We regret that the facility to pay by Direct Debit is not available to share fishermen. Our leaflet CA11 "National Insurance for share fishermen" gives more information.

How will payments be made?

The application form asks you if you wish to pay by Direct Debit from the start of your self-employment. In most cases this means that all contributions due from the start of your self-employment will be collected with the first payment from your Bank or Building Society.

If you do not wish to pay by Direct Debit from the start of your self-employment or we cannot arrange this, your Direct Debit will be started from a current date. We will then send you a separate bill for any contributions due from the start of your self-employment to the date your Direct Debit begins.

Although we act at once to set up your Direct Debit, it may take some weeks before the first National Insurance contributions are collected from your account. We will write to tell you when the first payment will be made. Please ensure that you have enough funds in your account to meet your first payment.

After that payments:

- will be made automatically for as long as you wish

and

- will normally be deducted from your account on the second Friday of each month

These payments will cover National Insurance contributions for either four or five weeks, depending on the number of Sundays in the preceding tax month. The tax month ends on the 5th of each month.

A regular check of your Bank/Building Society statements will reassure you that payments have been made correctly.

Direct Debit Application

The Direct Debit Guarantee



This guarantee is offered by all Banks and Building Societies that take part in the Direct Debit Scheme. The efficiency and security of the Scheme is monitored and protected by your own Bank or Building Society.

If the amounts to be paid or the payment dates change, the National Insurance Contributions Office will notify you 10 working days in advance of your account being debited or as otherwise agreed.

If an error is made by the National Insurance Contributions Office or your Bank or Building Society, you are guaranteed a full and immediate refund from your branch of the amount paid.

You can cancel a Direct Debit at any time by writing to your Bank or Building Society. Please also send a copy of your letter to us.

Please read the guidance before filling in this form. If you need more information, call the National Insurance Self-Employed Helpline on **0845 915 4655** or go to **www.hmrc.gov.uk/self-employed**

This form is not an application for a refund. If applying for a refund or for a Small Earnings Exception the address to use is shown at the bottom of page 4.

* indicates required field.

<p>1 Surname *</p> <input style="width: 95%;" type="text"/>	<p>10 Business address <i>if different from 8</i></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;"> </td></tr> <tr> <td style="width: 80%; height: 20px;"> </td> <td style="width: 20%; text-align: right;">Postcode</td> </tr> </table> <p>Phone number</p> <input style="width: 95%;" type="text"/>					Postcode											
	Postcode																
<p>2 First forename *</p> <input style="width: 95%;" type="text"/>	<p>11 What is your occupation when self-employed? * <i>If you have more than one occupation and need more space please give details in 'Additional information' on page 4.</i></p> <div style="border: 1px solid black; height: 80px; width: 100%;"></div>																
<p>3 Other forenames</p> <input style="width: 95%;" type="text"/>	<p>12 What are your expected net earnings from self-employment for the period from 6 April 2011 to 5 April 2012? <i>This should be below £5,315 *</i></p> <p>£ <input style="width: 80%;" type="text"/></p>																
<p>4 Title – Please enter your title or select it from the list. *</p> <input style="width: 95%;" type="text"/>	<p>13 If you have been self-employed for more than 12 months what is the last tax or accounting year for which you have earnings figures? <i>The information you give will be treated as confidential.</i></p> <p>From DD M YYYY</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> </tr> </table> <p>To DD MM YYYY</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> </tr> </table> <p>In that period what were your total earnings after deductions? <i>See page 1</i></p> <p>£ <input style="width: 80%;" type="text"/></p>																
<p>5 National Insurance number *</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> </tr> </table>											<p>14 Do you want to pay Class 2 contributions voluntarily? *</p> <p>No <input type="checkbox"/> Yes <input type="checkbox"/></p>						
<p>6 Date of birth DD MM YYYY *</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> </tr> </table>																	
<p>7 When did your self-employment start? DD MM YYYY *</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> <td style="width: 10%; border: 1px solid black; text-align: center;"> </td> </tr> </table>																	
<p>8 Home address *</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;"> </td></tr> <tr> <td style="width: 80%; height: 20px;"> </td> <td style="width: 20%; text-align: right;">Postcode</td> </tr> </table>						Postcode											
	Postcode																
<p>9 Phone numbers</p> <p>Home</p> <input style="width: 95%;" type="text"/> <p>Mobile</p> <input style="width: 95%;" type="text"/>																	

15 If you work for one or more employers please give estimates for the year beginning 6 April 2011.

Gross earnings from employment*

£

Name of employer

Gross earnings from employment*

£

Name of employer

*If more than £42,475 put 'over £42,475'.
If you have more than two employers please give details in 'Additional information' opposite.

Make sure you read the following before you sign and date the Declaration at part 16.

You do not have to produce evidence of earnings to support your application unless we specifically ask for it. If we need to see evidence of your earnings we will contact you.

In accordance with the Social Security (Contributions) Regulations 2001, regulation 44 (5)(a), HM Revenue & Customs, National Insurance Contributions & Employer Office will revoke any decision not to collect Class 2 National Insurance contributions if a false declaration of earnings has been made and/or conditions affecting this decision change. This means that HM Revenue & Customs, National Insurance Contributions & Employer Office will take any necessary action to collect arrears of contributions where appropriate.

16 Declaration

I have read the guidance and declare that the information given on this form is true and complete to the best of my knowledge and belief.

Signature

Date DD MM YYYY

Print this form and send it to:
HM Revenue & Customs
National Insurance Contributions & Employer Office
Self-Employment Services
Benton Park View
Newcastle upon Tyne
NE98 1ZZ.

Please keep the guidance for reference.

Additional information

Use this as the extra space you may need for questions 11 and 15.

Please read the notes on the back before completing this authority. This authority allows us to exchange and disclose information about you with your agent and to deal with them on matters within the responsibility of HM Revenue & Customs (HMRC), as specified on this form. This overrides any earlier authority given to HMRC. We will hold this authority until you tell us that the details have changed.

I, <i>(print your name)</i>
of <i>(name of your business, company or trust if applicable)</i>
authorise HMRC to disclose information to <i>(agent's business name)</i>
Wilkinson & Partners
I agree that the nominated agent has agreed to act on my/our behalf, and the information is correct and complete. The authorisation is limited to the matters shown on the right-hand side of this form.
<i>Signature see note 1 overleaf before signing</i>
<i>Date</i>

Give your personal details or Company registered office here

Address
Postcode
Telephone number

Give your agent's details here

Address
The Old Schoolhouse
75a Jacobs Wells Road
Bristol
Postcode BS8 1DJ
Telephone number 0117 9211222
Agent codes (SA/CT/PAYE) 81603T
Client reference

For official use only

SA	<input type="checkbox"/>	__ / __ / __	COTAX	<input type="checkbox"/>	__ / __ / __
NIRS	<input type="checkbox"/>	__ / __ / __	EBS	<input type="checkbox"/>	__ / __ / __
COP	<input type="checkbox"/>	__ / __ / __	VAT	<input type="checkbox"/>	__ / __ / __
NTC	<input type="checkbox"/>	__ / __ / __	COP link	<input type="checkbox"/>	__ / __ / __

Please tick the box(es) and provide the reference(s) requested **only** for those matters for which you want HMRC to deal with your agent.

Individual*/Partnership*/Trust* Tax Affairs	<input checked="" type="checkbox"/>	Individual				
<i>*delete as appropriate (including National Insurance)</i>						
Your National Insurance number <i>(individuals only)</i>						
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	If you are self employed tick here <input checked="" type="checkbox"/>
Unique Taxpayer Reference <i>(if applicable)</i>			If UTR not yet issued tick here <input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If you are a Self Assessment taxpayer, we will send your Statement of Account to you, but if you would like us to send it to your agent instead, please tick here <input type="checkbox"/>						

Tax Credits	<input type="checkbox"/>				
Your National Insurance number <i>(only if not entered above)</i>					
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If you have a joint Tax Credit claim and the other claimant wants HMRC to deal with this agent, they should sign here		Name			
<input type="text"/>					
Signature					
<input type="text"/>					
Joint claimant's National Insurance number					
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Corporation Tax	<input type="checkbox"/>													
Company Registration number														
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>							
Company's Unique Taxpayer Reference		<input type="checkbox"/>				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

NOTE: Do not complete this section if you are an employee. Only tick the box if you are an employer operating PAYE	
Employer PAYE Scheme	<input type="checkbox"/>
Employer PAYE reference	<input type="text"/>

VAT	<input type="checkbox"/>	<i>(see notes 2 and 5 overleaf)</i>								
VAT registration number		If not yet registered tick here <input type="checkbox"/>								
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1 Who should sign the form

If the authority is for

Who signs the form

You, as an individual

You, for your personal tax affairs

A Company

The secretary or other responsible officer of the company

A Partnership

The partner responsible for the partnership's tax affairs. It applies only to the partnership. Individual partners need to sign a separate authority for their own tax affairs

A trust

One or more of the trustees

2 What this authority means

• For matters other than VAT or Tax Credits

We will start sending letters and forms to your agent and give them access to your account information online. Sometimes we need to correspond with you as well as, or instead of, your agent.

For example, the latest information on what SA forms we send automatically can be found on our website, go to www.hmrc.gov.uk/sa/agentlist.htm or phone the SA Helpdesk on **0845 9 000 444**.

You will not receive your Self Assessment Statements of Account if you authorise your agent to receive them instead, but paying any amount due is your responsibility.

We do not send National Insurance statements and requests for payment to your agent unless you have asked us if you can defer payment.

Companies do not receive Statements of Account.

• For VAT and Tax Credits

We will continue to send correspondence to you rather than to your agent but we can deal with your agent in writing or by phone on specific matters. If your agent is able to submit VAT returns online on your behalf, you will need to authorise them to do so through our website. For joint Tax Credit claims, we need both claimants to sign this authority to enable HM Revenue & Customs to deal with your agent.

5 Where to send this form

When you have completed this form please send it to:

HM Revenue & Customs, Central Agent Authorisation Team, Longbenton, Newcastle upon Tyne, NE98 1ZZ.

There are some exceptions to this to help speed the handling of your details in certain circumstances.

If this form:

- accompanies other correspondence, send it to the appropriate HM Revenue & Customs (HMRC) office
- is solely for Corporation Tax affairs, send it to the HMRC office that deals with the company
- is for a Complex Personal Return or Expatriate customer, send it to the appropriate CPR team or Expat team
- accompanies a VAT Registration application, send it to the appropriate VAT Registration Unit
- has been specifically requested by an HMRC office, send it back to that office.

3 How we use your information

HM Revenue & Customs is a Data Controller under the Data Protection Act 1998. We hold information for the purposes specified in our notification to the Information Commissioner, including the assessment and collection of tax and duties, the payment of benefits and the prevention and detection of crime, and may use this information for any of them. We may get information about you from others, or we may give information to them. If we do, it will only be as the law permits.

We may check information we receive about you with what is already in our records. This can include information provided by you, as well as by others, such as other government departments or agencies and overseas tax and customs authorities. We will not give information to anyone outside HM Revenue & Customs unless the law permits us to do so.

This authority does not allow your agent to request personal information held about you under the subject access provisions of the Data Protection Act 1998.

Further information can be found on our website, www.hmrc.gov.uk

4 Multiple agents

If you have more than one agent (for example, one acting for the PAYE scheme and another for Corporation Tax), please sign one of these forms for each.