



How to make more.....

The 'easy' tax advice I give to many smaller clients is to.....

This sheet contains a summary of all of the ideas on this topic contributed by those who have heard me present this talk recently. Thanks to those who contributed.

- "Make use" of spouses personal allowances
- 100% relief on small cars
- Accelerate CAs
- Adjusting POA – especially July payments
- Always ask first however silly it feels
- Balancing spouses incomes/portfolios
- Be 'tax credits' aware
- Bring forward necessary business expenditure before year end to accelerate tax relief
- Business structure planning
- Checking PAYE coding notices/numbers – removing unnecessary items eg: HRA, IFP – to pay tax later
- Checking statements of account
- Clearing overdrawn loan accounts promptly to avoid s419
- Consider "Flat rate VAT scheme"
- Consider paying additional pension premiums
- Consider spouse's involvement in business and reward appropriately
- Create an inventory of equipment and furniture, fixtures and fittings/ accessories that they introduced into their business when trading commenced
- Dividend planning – when and how much
- Dividend vs salary/wages
- Effective use of dividends/bonus/remuneration mix
- Efficient use of losses
- Employ two part-timers rather than one full-timer to save employers' NI
- Employment of teenage children and other family members
- Encourage early production of accounts to confirm liability
- End of year matters – use ISA limits, spousal transfers to use annual exemptions/losses
- Enjoy life
- Ensure minimum amount of NICs are paid but benefits are earned
- Ensure the obvious is claimed
- Ensure they maintain NI contributions record and how to check it
- Ensure they put enough money aside to pay their tax bills
- Ensure unearned income of retired clients is split to ensure that marginal rate tax is avoided
- Flat rate scheme for VAT
- Get "Free of tax" childcare (nursery) fees – use www.parentbond.com
- Get organised



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- Get your books and records to us early and let us know your future plans so that we can save you tax
- If appropriate make best use of basic rate bands in small limited companies
- If married ensure rental properties are in joint names
- Incorporate *[nb: I'm not sure that's always a tax saving idea these days]*
- Incorporation implications
- Inform them of legitimate expenses that can be claimed for tax purposes
- Keep full records
- Keep good records – if we don't see it, we can't claim it!
- Keep it simple
- Keep letter setting out tax payments due simple – ie: on one sheet of paper
- Keep me updated on changes since the year end and proposed changes
- Keep records of cash expenditure
- Keep records of specific expenditure and mileage records
- Main residence exemption
- Maintain all business receipts
- Make all 'routine' claims eg: spouse's wages, all business expenses paid 'personally'
- Maximise capital gains vs income as rate is only 18% vs 40%
- Maximising allowances – NI/tax thresholds
- Maximising lower rate bands using spouse portfolios
- New CA regime
- Offer to help with Tax credit claims for family of more important clients
- Overnight stays
- Pay interest on loan accounts to avoid BIK
- Paying a spouse's salary just over LEL to get SSP2
- Pension relief
- Plan ahead
- Plan ahead to meet your tax liabilities
- Planned capital expenditure – ensure incurred before end of accounting period to secure full CA
- Planning for POAs
- Planning when to buy equipment (CAs)
- Possibly incorporate
- Reclaim VAT on mileage
- Record all business expenses to claim tax relief OR tell us eg: eating, subsistence, periodicals, travelling costs paid personally
- Reduce POAs if profits/income lower
- Regular gifts to children
- Reminders of POAs – due dates and amounts
- Remortgage investment properties rather than sell them
- Repayment of class 2 NIC if small earnings exemption applies (by 31/1/ following end of tax year)
- See if company structure is appropriate
- Seek receipt of interest at start of tax year rather than at end
- Send out cards with basic tax rules/guidelines, including payment dates



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- Setting up as an LLP or a limited company
- Share structure for family members
- Simpler ideas first eg: use personal allowances
- Small wage for spouse – where justifiable
- SMP/SSP and employment issues
- Submission of accounts and tax due date and amounts
- Talk to me before you do anything!
- Taper relief holding periods
- Tax efficient car purchases (and non-tax efficient)
- Tax free investments
- The £250 payment from HMRC for online filing of y/e PAYE/NI is not taxable so don't lose it
- Timetable of events throughout year to help them to manage financial affairs and records
- Timing income and expenditure around tax year end and accounting dates
- Transfer of assets between spouses prior to sale/generation of gains
- Use CGT allowances
- Use exemptions fully
- Use me!
- Use of cash ISA
- Use of CGT exemptions
- Use of gifts for IHT purposes
- Use of home as office
- Use of home as office claims
- Utilisation of spousal personal allowances
- Utilising all personal allowances in a 'pool' of taxpayers (not just married couples)
- VAT on fuel/mileage
- When to (if) to register for VAT
- Write a will re IHT planning etc
- Xmas parties

Please note that by sharing contributors' views I am neither endorsing nor condoning any of them. But I'm sure you'll get some value from knowing what others do and by comparing your own approach.

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