




Keith - set up ADI Tax Service

**BETTER BUSINESS FINANCES FOR ADIs**

How to remain compliant with your statutory responsibilities


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New service designed for people doing tax alone (without accountant)

**Constitution**

- Sole tradership
- Partnership
- Limited company

Limited Company



- Separate legal entity
- Subject to Corporation Tax
- Limited liability
- Really need profits of > £50k to consider

Getting started



- Set up a business bank account
- Set up a way of recording income and expenses
- Appoint an accountant
- Inform the Revenue, www.hmrc.gov.uk/newbusiness. Or Forms CWF1, CA5601
- Make sure you receive a "UTR number"

Penalties for not submitting a Tax Return



Length of delay	Penalty you will have to pay
1 day late	A penalty of £100. This applies even if you have no tax to pay or have paid the tax you owe.
3 months late	£10 for each following day – up to a 90 day maximum of £900. This is as well as the fixed penalty above.
6 months late	£300 or 5% of the tax due, whichever is the higher. This is as well as the penalties above.
12 months late	£300 or 5% of the tax due, whichever is the higher. In serious cases you may be asked to pay up to 100% of the tax due instead. These are as well as the penalties above.
