



71 Ways To Pay Less Tax

2019-20 EDITION



Your small business

Have you spoken to your accountant about this recently?	Yes	No	n/a
1. Are you sure that you are taking money out of your business in the most tax-efficient way?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Are you paying your spouse a tax efficient salary?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Have you made the most of your opportunities to save tax by investing in a personal pension?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Have you reviewed your pension arrangements recently?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. If you are a sole trader, have you considered taking your spouse into partnership?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. If you are a sole trader making losses or low profits have you considered whether to pay class 2 National Insurance Contributions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Have you considered whether there are any benefits from converting partnership/business loans and/or surpluses into personal loans - or vice versa?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. If you are a sole trader or partnership, have you considered making key employees partners?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. If you have subscribed for shares in an unquoted company and lost money, have you made a claim for tax relief?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Have you considered the legitimate ways to increase or decrease your business profits so that your allowances and tax rates are used as efficiently as possible?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. If you are about to invest in a new car, computer or any other business equipment, have you considered the best time to buy them and the best way to pay for them?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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12. If your business has made losses, have you made sure that those losses are being used to reduce your current tax bills by as much as possible?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. If you run a very profitable limited company, have you done everything possible to make sure that your profits taxed are as low as possible?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. If you run a company or a partnership and sell your personal services, knowledge or skills, have you taken appropriate steps to ensure that the IR35 rules won't cost your business a fortune in additional tax?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. If you run a one-man band business (not a limited company), have you made sure that there is absolutely no possibility of the Taxman charging you much more money by treating you as being employed by one or more of your best customers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. Have you considered recently (i.e. in the last 12 months) whether your business would be better off trading as a sole trader, partnership, limited company or limited liability partnership?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. If you trade through a limited company and pay your spouse or minor children dividends on shares they own, are you sure that the Taxman won't be able to tax those dividends as if they were your income?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Have you correctly recorded dividend payments by your company on board minutes and dividend vouchers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. Have you considered using different classes of shares for company shareholders?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Have you planned ahead and taken action to minimise your tax bills when you eventually come to sell the business?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. If your company invests in Research and Development ('R&D'), have you planned how to make the most of the up to 230% effective tax relief?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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22. Have you considered making greater use of business gifts as a marketing tool?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
23. If you are not already registered for VAT, do you have a system for making sure that you are still entitled to stay non VAT registered?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24. If your sales are less than £1.35m a year, are you making VAT potentially much easier and cheaper for your business by making the most of the cash accounting scheme or the annual accounting scheme?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25. If your sales (excluding VAT) are less than £150,000, have you considered switching to the flat rate VAT accounting scheme?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26. Do you always time the payment of dividends and bonuses from your company so that they fall in the “right” tax year for you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27. Have you considered reducing the amounts of cash held by the company?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28. If your company owns property that it rents out, have you fully considered the tax opportunities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
29. If you own any business property, have you maximised the capital allowances that you can claim?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
30. Have you considered the impact of Entrepreneur’s relief and Capital Gains Tax rules on selling your business and/or assets?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Your employees (which includes YOU if your business is a limited company!)

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31. Do you have a company pension scheme? Are you making the most of pensions as a highly tax efficient way of rewarding and retaining key team?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
32. Have you explored how to use pensions to cut the tax bill on wages and salaries?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
33. Have you considered using one of the more “exotic” types of pension schemes to give you more control and flexibility and allow you and your team to build up even bigger nest-eggs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
34. Do you fully understand how to calculate the tax value of benefits in kind?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
35. Have you told the Taxman about any changes to your company cars or who uses them?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
36. If you provide company cars, have you checked in the last year whether you and your employees could be better off by changing your company car and petrol policy?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
37. If your employees use their own cars for company business, do you know how the mileage rules affect them and the business?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
38. Have you considered providing your employees with low emission cars?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
39. Are you utilising the rules for employees taking home company vans?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
40. Are you certain that you make the most of tax-free benefits in kind for your team?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
41. Have you considered the changes to benefits in kind, the requirements for record keeping and reporting?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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42. If you use contract workers and freelancers, have you made absolutely sure that the Taxman has no grounds for treating them as your employees?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
43. If any of your employees have been with you for more than 20 years, do you know how to reward them with a really special long-service present that is completely tax free for both you and them?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
44. If your employees work from home, are you using the rules so that you can reimburse them tax free?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
45. Have you looked into whether it is possible to cut your costs and improve your cash flow by paying your PAYE and National Insurance quarterly instead of monthly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
46. Have you looked into whether you can reduce the amount of National Insurance you pay by reclaiming your Employment Allowance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
47. Have you looked at the possibility of motivating and rewarding your team by giving them share options?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
48. If you have relatively low waged employees and/or employees with children, have you advised them to claim Working Tax Credits and Child Tax Credits?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
49. Are you sure that you are staying on the right side of the minimum wage law?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
50. Have you advised your employees to check their 2019/20 PAYE coding to make sure that the details are correct and that they are receiving the correct allowances? And have you done this for your own notice of coding? Especially with HMRC now including estimated savings income within the code.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
51. Have you considered whether the Tax Free Childcare Account (TFC) is appropriate? It can be worth up to £2,000 Government support per child per annum (£4,000 for a disabled child) who is receiving registered child care support.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



You and your family

Have you spoken to your accountant about this recently?	Yes	No	n/a
52. Have you made a will? Have you updated it recently? And is it Inheritance Tax efficient?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
53. What happens to your family and business if you are ill or die? Do you have life assurance, permanent health insurance and critical illness cover? Have you reviewed your policies recently? Are they still the best policies for you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
54. If you give money to charity, have you made sure that the Taxman makes your donation even bigger by using, for example, Gift Aid and payroll giving?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
55. If you are planning on moving home, have you explored the possibility of taking a business loan instead of a mortgage?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
56. Have you considered changing your mortgage?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
57. As there is no tax relief on mortgages, have you considered reducing your mortgage, or using a flexible or offset mortgage?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
58. Have you made full use of the fact that each of your children can earn up to £12,500 in 2019-20 as income and £12,000 a year in capital gains - completely tax free?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
59. Have you maximised the government contributions into pensions for your children?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
60. If your estate is large have you considered: <ul style="list-style-type: none"> <li data-bbox="120 1270 362 1294">• Inheritance tax planning? <li data-bbox="120 1307 692 1355">• Taking out an insurance policy that will pay your inheritance tax bills when you die? <li data-bbox="120 1367 676 1391">• Using lifetime gifts to avoid paying inheritance tax altogether? 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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61. If you are intending to pay for private education for your children, have you taken steps to either put enough money aside to fund it, and/or explored the possible tax breaks to make the money go further?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
62. Have you used the legitimate ways to reduce your tax bills by transferring income from a spouse paying tax at higher rates to a spouse paying tax at lower rates?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Your investments

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63. Have you reviewed your investments to ensure that they are appropriate and performing well? Are they giving you the right balance of income and capital growth?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
64. Have you considered investments that give you a tax free return? For example: National Savings Certificates, Friendly Societies and ISAs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
65. If your spouse pays tax at a lower rate than you, have you considered passing some of your investments to them in order to reduce your combined tax bills?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
66. If some of your investments have done very well and grown in value have you considered whether it is sensible to sell some of them to save yourself even higher tax bills in the future?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
67. If you own any buy-to-let properties, have you considered owning them jointly with your spouse/civil partner?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
68. Have you considered the three main ways of getting tax relief on the full cost of your investments and not just on the interest you earn on those investments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
69. If you are considering investing in property (other than your home), have you considered taking out a loan to finance the purchase?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
70. If you are considering investing in a second residential property perhaps for your children to use while at University, have you thought about the new higher rates of Stamp Duty/Land and Buildings Transaction Tax/Land Transaction Tax on second properties?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
71. If you have one or more residential properties that you rent out and have significant mortgages against then from April 2019 the amount of tax relief for the interest you pay on these loans will be reduced. Have you considered your options?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

This checklist is designed to alert you to some of the major issues you should be considering. It is not a replacement for professional advice tailored to your precise needs and circumstances.

We strongly recommend that you contact us today to discuss any questions where you have answered “no”. Alternatively return your completed checklist to us and we will contact you.

No action should be taken without first taking professional advice. No responsibility for any loss to any person from acting as a result of this material can be accepted by us.

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