



TAXCARE ACCOUNTANCY

*Chartered Certified Accountants
Business & Tax Advisors*

“**15**
YEARS OF
EXPERIENCES



WHO PAYS CORPORATION TAX?

Corporation tax is a bill that all businesses, including limited companies and many other organisations, must calculate and pay to HMRC or risk facing fines or legal penalties.

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Tax Advice That Helps Your Business Grow

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How do you know if you have to pay corporation tax? Are there any exceptions? Read on to find out.



WHAT ORGANISATIONS HAVE TO PAY CORPORATION TAX?

As you may guess, limited companies (private companies which have a legal identity separate from their owners and managers) which are UK based must pay corporation tax. Even companies that aren't UK based but trade there must also pay it, but this is only taxed based on the amount of money they make in the UK. It's not just limited companies that have to pay it, though – any sort of club with members must also pay it, such as holiday or sports clubs, as well as friendly or provident societies, even if they are not incorporated.

Charities and associations are also subject to corporation tax. Groups of individuals carrying out a business, such as co-operatives, must also pay the tax.

WHO IS EXEMPT?

There are a few exceptions to corporate tax. If you are a sole trader or partnership, i.e. your business is not a limited company and you are the exclusive owner, you do not have to pay it but will instead pay income tax. Charitable organisations are also exempt. If your business has closed and you have made no profits, you also will not have to pay it, but you will have to let HMRC know that you do not owe them or they will chase you up.

Become our client and remain stress free on your accounting and tax issues.

WHO IS RESPONSIBLE FOR PAYING IT?

A company must calculate its own corporation tax – it's not a bill that turns up in the mail. It is calculated on your annual profits at a rate of 19%, no matter the size or type of business you own. This includes any chargeable gains as well as trading profits. There are ways to reduce it which your accountant can help you with, but ultimately, it is the responsibility of the company director to make sure that the corporation tax return has been submitted in time (12 months after the end of the financial year) and paid.

CORPORATION TAX ADVISORY SERVICES

Corporation tax is another stressful bill that business owners have to remember. If you need help with your year-end accounts & corporation tax, at Taxcare Accountancy, we can help you with all aspects of legally reducing your corporation tax, calculating how much you owe and getting it paid on time.

**GET IN TOUCH ON
0208 478 3383** for a chat.



Get in touch at info@taxcareaccountancy.co.uk for more details.

Positive, Proactive and Professional
business Accountants.





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Find Out More

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