

MODULE 10

How and when do I need to register my sole trader business?



HMRC requires that you register as self employed with them within three months of starting your business (which is defined as when you start trading -- when you start selling or paying for things). Although technically you have until 5th October after the end of your first tax year - otherwise you could be charged a penalty.

The tax year ends 5th April, so if you started trading in January 2017, you'd have until October 5 2018 to register.

You have to register even if you already fill out a self-assessment tax return (which is how you pay your taxes as a sole trader) or if you estimate you will not need to pay tax because of low earnings.

How do I register?

Go to <https://online.hmrc.gov.uk/registration/options>

Have your National Insurance information, business details and personal details ready to complete your application. It is a straight forward and simple process.