

Quick Tips for Saving Tax



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Quick tips for saving tax

Paying tax is inevitable, but some business activities are also an opportunity for you to reduce the amount of tax you pay.

Our quick guide gives an overview on some of the best ways for you to save on your tax bill.

In addition to our guides, we have a wealth of [short, straight to the point tutorial videos](#) which cover everything a small business owner needs to know.

They cover topics from bookkeeping basics to quick tax saving tips – without the usual accounting jargon!



Claiming tax relief

Sideways relief

This is where you offset your self-employment losses against other tax that you've paid. For example, offsetting the tax you pay because of employment in order to claim a tax refund.

Research and development tax credits

Businesses are able to claim tax relief on the costs of innovation, and reduce their tax bill (or get a cash payment) in the process. For example, staff costs on a project to develop new software.

Our [guide to R&D Tax Credits](#) explains it all in more detail.



**Software
Development**



**Light, heat
and power**



**External
workers**



Limited company tax savings

If you're taking money from a limited company, consider the most efficient way to pay yourself. This usually involves taking a combination of salary and dividend payments in order to pay less tax.

Read [our guide](#) on the most tax efficient director's salaries.

As the owner of a limited company, you might also find it useful to put your personal mobile phone in the company's name.

This will reduce the amount of Corporation Tax that the company pays, without needing to consider [Benefits in Kind](#).



Home and childcare costs

Claiming for your home as a workplace

If you're doing work at home, then you might be able to claim back some of the costs of using your home as an office or workplace.

Watch [our video guide](#) to learn more.

Claiming back childcare

If you have children being looked after by a registered childminder, then you may be able to claim tax relief using childcare vouchers.

Alternatively, you may be able to get support for each child looked after by an approved childcare provider.

This is available via the tax-free childcare government scheme that pays working parents a top-up based on their childcare costs.



Saving tax when you're VAT registered

Did you know that once you register for VAT, you may be able to reclaim VAT that you've already paid?

- ✓ You can reclaim the VAT you've paid on any assets that you still own at the date of registration, for purchases taking place up to 4 years before registering.
- ✓ You can also reclaim VAT paid on services up to 6 months before the date of registration.

To learn more, you can read [our article](#) about claiming VAT that you paid before registering.

Choosing the most suitable VAT scheme for the business can also help you save money.



Looking for more advice on saving tax?

If you have any further questions simply phone us on 020 3355 4047 and one of our friendly accountancy advisors will be happy to help.



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