

Healthcare Factsheet



BW

MEDICAL
ACCOUNTANTS LTD

Expert advisers to the healthcare sector



How do I pay my tax?

Please note that the tax year runs from 6th April one year to 5th April the next.

Employed

- Tax will be deducted at source from your income
- You can locate how much has been deducted for tax/NIC/student loans and pension contributions on your payslips
- HMRC will contact you after the end of the tax year to inform you if you have paid too much/too little

Self-employed

- If you are self-employed then your tax becomes due, along with your tax return, on 31 January after the end of the tax year
- If the tax you owe after the tax year is below £1,000 or if the paid tax paid at source (i.e. employment) is at least 80% of the total tax due, you will not be required to make payments on account
- If your tax liability is over £1,000 for the tax year, this full amount will be payable on 31 January following the tax year and payments on account will be due (half of the total liability)
- Payments on account for the following tax year are due on 31 January and 31 July and will be deducted from your outstanding balance after you've completed your tax return for the following year. This can sometimes result in a refund if your income is reduced.

An example is included below;

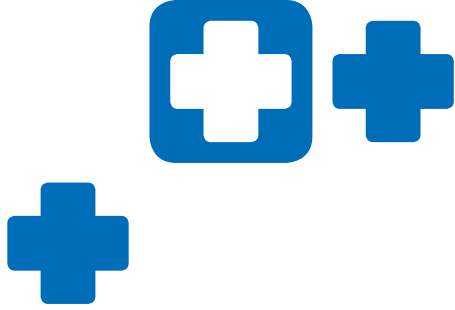
Example A:

Tax year 2017/18 (6 April 2017 to 5 April 2018)

Total Tax Liability - £8,000

Payment	Amount	Due
2017/18 balancing payment	£8,000	31 January 2019
2018/19 first payment on account	£4,000	31 January 2019
2018/19 second payment on account	£4,000	31 July 2019

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Example B:

Tax year 2018/19 (6 April 2018 to 5 April 2019)

Total Tax Liability - £10,000

Payment	Amount	Due
2018/19 balancing payment	£2,000 (after deducting 2018/19's first and second payment on accounts)	31 January 2020
2019/20 first payment on account	£5,000	31 January 2020
2019/20 second payment on account	£5,000	31 July 2020

Newly self-employed earners are often caught out by the payments on account scenario. Talk to our Tax Team for expert advice and guidance. We operate a fixed fee billing policy which includes free telephone and email support. With BW you will receive a highly responsive and proactive tax service to ensure you can make informed financial decisions throughout the year.

Proven Track Record

We provide specialist accountancy, tax and NHS Pension Management Services to over 1,500 healthcare professionals throughout England.

You'll experience a highly personal and responsive service from one of the most experienced teams in medical finance. Appointing or switching to BW Medical Accountants is easy.

Contact our experts for a free initial consultation.

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