Working for yourself checklist

Use the checklist overleaf to gather your paperwork so you can get your tax return done right.

1 Keeping Records

Accurate record keeping from the date you start your business is essential because:
- it is legally required
- it makes it quicker and easier for you, or your book keeper, to complete your annual accounts
- your tax return will be accurate
- you can keep track of your expenditure.

2 Records that you must keep:
- all your sales and takings
- all your purchases and expenses
- any money taken out of the business for personal use.
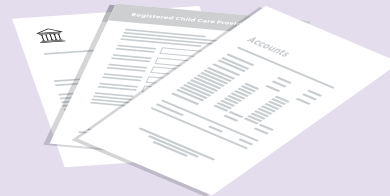
3 Allowable expenses

When you work for yourself you'll have various costs to running the business. You can take off these costs to work out your taxable profit as long as they are allowable. Expenses are allowable if they were only for use in the business, for example:
- cost of goods bought for the business
- costs of running a business asset, for example - petrol for your work van
- capital allowances, for example you've bought your work van or other machinery
- wages and salaries of employees
- your part of class 2 social security contributions that's equivalent to employers secondary contributions.

4 Disallowable expenses - You can't claim every expense as a business expense, for example you can't claim:
- private household expenses
- any money you pay yourself as a wage
- drawings (money you take out of the business).

5 Paying your tax - When you pay tax on this income you'll have to make your own payment. It won't be covered by an ITIS rate from any employment income.

For more help go to: gov.je/SelfEmployed

Working for yourself checklist ☑

I need	I have	
☐	☐	Invoices
☐	☐	Receipts for purchases
☐	☐	Electronic records of sales or till rolls
☐	☐	Details of items for personal use
☐	☐	Cash book
☐	☐	Petty cash book
☐	☐	Sales and purchase ledger
☐	☐	Bank statements
☐	☐	Cheque stubs
☐	☐	Paying-in slips
☐	☐	Stock inventories
☐	☐	Mileage records
☐	☐	Other . . . .
☐	☐	Other . . . .
☐	☐	Other . . . .

TO DO DATE: | D | D | M | M |

Remember, we don't need the paperwork with the return, but keep it safe and only destroy it after 7 years.