



Use these notes to help you fill in the Self-employment (short) pages of your tax return

Fill in the 'Self-employment (short)' pages if your turnover was less than £85,000 (or would have been if you'd traded for a full year). If it was £1,000 or less, read 'Trading income allowance' below.

Check if you still need to fill in a tax return

If you do not think you need to fill in a tax return for this year, go to www.gov.uk/check-if-you-need-a-tax-return

If you do not need to fill in a return, you must tell us by 31 January 2020 to avoid paying penalties.

Trading income allowance

Total receipts from self-employment and miscellaneous income (see box 17 'Other taxable income' on page TRG 8 of the tax return notes) of up to £1,000 are exempt from tax and do not need to be reported on a tax return.

Please read page TRG 2 of the tax return notes to check that you qualify for the trading income allowance.

If you claim the trading income allowance, you cannot deduct any allowable expenses or claim any other allowances.

If you do not want to claim the allowances as your allowable expenses are higher than your turnover and you want to claim relief for the loss - calculate your profits by deducting your allowable expenses and capital allowances from your turnover. If you do this, do not complete box 10.1.

If after reading TRG 2 you choose to complete the 'Self-employment (short)' pages because:

- you expect your turnover to exceed £1,000 in the next tax year, only complete boxes 1 to 8
- you want to voluntarily pay Class 2 National Insurance contributions (NICs) to build entitlement to contributory benefits like the State Pension, complete boxes 1 to 8 and put an 'X' in box 36


- you want to preserve your record of self-employment, for example to support an application for Maternity Allowance, just complete box 1
- you would like to claim Tax Free Childcare based on your self-employment income, complete box 1, box 9, box 10.1, box 21, box 28 and box 31
- you're a subcontractor and want to claim back tax deducted under the Construction Industry Scheme (CIS), complete boxes 1 to 8 and box 38

If your total receipts from all self-employment and miscellaneous income was over £1,000, complete the 'Self-employment (short)' pages by either:

- claiming the new allowance in box 10.1 against your total receipts from self-employment - if you claim the trading income allowance, you cannot deduct any allowable expenses or claim any other allowances, you cannot claim this allowance if your receipts are from a connected party
- calculating your trading profits by deducting allowable expenses and allowances - if you do this, you cannot claim the trading income allowance

Total receipts from self-employment include any entries in box 9, box 10, box 26 (Balancing charges) and box 27 (Goods and services for own use).

The trading income allowance of up to £1,000 can be split across more than one business and against miscellaneous income (see box 17 'Other taxable income' on page TRG 8 of the tax return notes).

 For more information on the trading income allowance, go to www.gov.uk/guidance/tax-free-allowances-on-property-and-trading-income

You'll need to fill in the 'Self-employment (full)' pages if:

- your business is more complicated or your turnover for the year is £85,000 or more
- you've changed your accounting date
- your taxable self-employed period, known as the basis period, is not the same as your accounting period and the income for the basis period is more than £1,000
- you have adjustment income because you changed your accounting basis
- your business ceased before 6 April 2019 and overlap relief is due

- you need to adjust any profits chargeable to Class 4 National Insurance contributions (NICs)
- you were within the Managing Serious Defaulters (MSD) programme during the year
- you had, at 5 April 2019, an outstanding untaxed balance on a disguised remuneration loan arising from this self-employment, even if it ceased between 6 April 2018 and 5 April 2019, and have not entered into full and final settlement with HMRC

Filling in the Self-employment (short) pages

It's important to keep records of your business income and expenses (money received or paid out if you're using cash basis, see box 8) and any tax that you paid during the year. You'll need these to help you fill in your tax return or to answer any questions we might have.

i For more about the records you need to keep, go to www.gov.uk/self-employed-records

If it's not possible for you to tell us your final figures by the filing deadline, include provisional figures but only fill in boxes 1, 5, 9, 21 or 22, 28 and 31 or 32. You must also tell us in 'Any other information' on page TR 7 of your tax return why you've used provisional figures and when you expect to give us your final figures. Leave all other boxes blank.

Do not send any receipts, accounts or paperwork with your tax return, unless we ask for them.

Your name and Unique Taxpayer Reference

If you printed the 'Self-employment (short)' pages from the website, fill in your name and Unique Taxpayer Reference (UTR) in the boxes at the top of the form. Your UTR will be on any letters from us about your Self Assessment.

If you cannot find it, go to www.gov.uk/find-lost-utr-number

Your name	Your Unique Taxpayer Reference (UTR)
Paul Smith	1 3 5 7 9 2 4 6 8 0

Example of completed name and UTR boxes

Business details

Box 1 Description of business

Tell us what your type of business is in box 1. If you're a Foster Carer or Shared Lives carer write 'Qualifying carer' in box 1.

If your income is from letting furnished accommodation in your home, your gross receipts (including any balancing charges) are less than £7,500 (or £3,750 if shared) and you want to use the Rent-a-Room scheme, put Rent-a-Room in box 1 and leave the rest of the boxes blank.

If your gross receipts (including any balancing charges) from letting furnished accommodation in your home are more than the £7,500 limit (or £3,750) and you want to use the Rent-a-Room scheme:

- write 'Rent-a-Room' in box 1
- fill in boxes 2 to 8
- put your gross receipts (including services provided) in box 9
- put £7,500 (or £3,750) in box 19
- put any balancing charges in box 26

You cannot claim expenses, capital allowances or the trading income allowance under the Rent-a-Room scheme.

i For more information on the Rent-a-Room scheme, go to www.gov.uk and search for 'HS223' or www.gov.uk/renting-out-a-property/paying-tax

Box 4 If you are a foster carer or shared lives carer

Only put 'X' in the box if this applies to you.

If your qualifying amount is more than your total qualifying care receipts:

- put '0' (zero) in box 31
- do not fill in the rest of form SA103s

If your qualifying care receipts are more than your qualifying amount and you use the simplified method to work out your profit:

- fill in boxes 2 to 8 (if they apply to you)
- put your total receipts in box 9
- put your qualifying amount in box 20
- fill in boxes 21, 28 and 31

Helpsheet 236 'Qualifying care relief: foster carers, adult placement carers, kinship carers and staying put carers' will help you fill in the 'Self-employment (short)' pages.

i For more information, go to www.gov.uk and search for 'HS236'.

Box 5 If your business started after 5 April 2018, enter the start date

If you started working for yourself between 6 April 2018 and 5 April 2019, put the date you started in box 5.

If you have not already registered for self-employment and Class 2 National Insurance contributions (NICs), you must do so now.

 For more information, go to www.gov.uk/working-for-yourself

Box 6 If your business ceased before 6 April 2019, enter the final date of trading

If you stopped working for yourself between 6 April 2018 and 5 April 2019, put that date in box 6, not your end of year date. Tell us as soon as possible so you do not pay too much tax or Class 2 NICs.

 For more information, go to www.gov.uk/stop-being-self-employed

If you think overlap relief is due because your accounting date was not 5 April 2019, you must fill in the 'Self-employment (full)' pages.

Box 7 Date your books or accounts are made up to

It's usual to make your books up to the same date each year. For example, if you made your books up to 5 April 2019, put 05 04 2019 in box 7. If the date is after 5 April 2019 you must fill in the 'Self-employment (full)' pages.

Box 8 Cash basis

Put an 'X' in box 8 if you used cash basis.

Cash basis is a simpler way of working out your business profits or losses. You add up all your business income received (your turnover) and take off any allowable expenses paid in your accounting period. Do not include money you owe or owed to you at your end of year date.

Certain businesses cannot use cash basis.

 For more information, go to www.gov.uk/simpler-income-tax-cash-basis

If you used cash basis last year, use it again this year, unless:


- your total business income for last year was more than £300,000 and your total business income for this year is more than £150,000 (or £300,000 if you claim Universal Credits)
- it no longer suits, for example you want to claim loss relief against your income

If you're a sub-contractor in the construction industry, your income is the full amount, before contractor deductions.

You may start to use cash basis this year if — this is your first year in business — you used traditional accounting last year, and your total business income this year is less than £150,000 (£300,000 if you claim Universal Credit).

The threshold amount reduces if your basis period is less than 12 months.

If you change basis this year, from cash basis to traditional accounting basis or from traditional accounting to cash basis, you may need to make a transitional adjustment.

 For more information, go to www.gov.uk and search for 'HS222'.

Business income

Box 9 Your turnover

If you use traditional accounting, put the total amount of income earned by your business before taking off any expenses in box 9. Include:

- all payments – cash, card, cheque or any other method
- fees, tips and commissions
- any payments 'in kind' – that is, goods or services received in exchange for work done or goods sold
- money owed to you for work already done

If you're using cash basis only include the income received.

If your turnover is up to £1,000, read 'Trading income allowance' on page SESN1.

If you're a subcontractor, make sure you include the full amount for the accounting period (before any Construction Industry Scheme (CIS) deductions made by contractors).

Box 10 Any other business income not included in box 9

This includes, for example, income from letting part of your business accommodation (not needed in the short term) or payments for the right to cross your land.

Box 10.1 Trading income allowance

Before completing box 10.1, read 'Trading income allowance' on page SESN1. If you have more than one self-employment (or miscellaneous income (see box 17 'Other taxable income' on page TRG 8 of the tax return notes)), the total amount claimed cannot exceed £1,000.

You cannot claim the trading income allowance to make a loss.

Allowable business expenses

Expenses vary from business to business. Allowable expenses include wages, rent, lighting, postage, phone calls and motor costs such as fuel and insurance. Helpsheet 222, 'How to calculate your taxable profit' lists allowable business expenses.

Some expenses are only partly allowable. For example, you can only claim the business part of the cost of using your own car or using a room in your home as your office.

The cost of entertaining, depreciation of equipment, your own salary, wages, drawings and National Insurance contributions are not allowable expenses.

If you claim the trading income allowance, you cannot deduct any allowable expenses or claim any other allowances on this income.

If you use traditional accounting

Do not include the cost of buying a vehicle or other equipment.

If you use cash basis

Allowable expenses include payments for capital expenditure, unless the expenditure is specifically disallowed. You can only claim up to £500 of any payments of interest and other costs for cash borrowings.

i For more information on disallowed capital expenditure, go to www.gov.uk and search for 'HS222'.

Simplified expenses

Simplified expenses use flat rates instead of actual business expenses.

You can use simplified expenses to work out:

- business costs for vehicles
- business use of your home or the adjustment for private use of business premises as a home (not both)

You have to calculate all other expenses in the usual way.

Boxes 11 to 20

Fill in boxes 11 to 19 and put the total in box 20.

If your annual turnover was below £85,000, you may just put your total expenses in box 20.

If you claim the trading income allowance in box 10.1, do not complete boxes 11 to 20.

i For more information on expenses you can claim, simplified expenses and filling in boxes 11 to 20, go to www.gov.uk and search for 'HS222'.

Net profit or loss

Box 21 Net profit

Add boxes 9 and 10 together. If the total is more than the figure in box 20, put the difference in box 21.

Box 22 Net loss

Add boxes 9 and 10 together. If the total is less than the figure in box 20, put the difference in box 22.

Tax allowances for vehicles and equipment (capital allowances)

Boxes 23 to 26

You can claim capital allowances for the costs of buying and improving equipment such as:

- vans and cars
- tools and computers
- shelves, furniture and electrical fittings

The type of capital allowance and amount that you can claim will depend on your assets and other circumstances, for example, there are special rules for cars.

You cannot claim capital allowances if you're claiming the trading income allowance (in box 10.1) or using cash basis. The only exception for those using the cash basis (and not claiming the trading income allowance) is cars.

If you've previously claimed capital allowances for a car used in your business, you can continue to claim the allowance in boxes 24 to 26. Include any business part of the actual running costs as an allowable expense in box 12. You cannot use flat rates.

If you've never claimed capital allowances for the car, you can choose to use flat rate, or claim capital allowances.

If you've claimed the trading income allowance, box 10.1, do not complete boxes 23 to 25.

i For more information about capital allowances, go to www.gov.uk/capital-allowances

You may be able to claim these allowances:

- 100% Annual Investment Allowance (AIA), if you bought equipment (but not cars) during the year – if your claim for AIA exceeds £400,000, put £400,000 in box 23, include the remainder in box 25 and make an entry in the ‘Any other information’ box on your tax return to advise the amount of AIA claimed in box 25
- 100% allowance for energy-saving equipment and new cars with low CO2 emissions (up to 50g per kilometre)
- 100% allowance for investment in electric charge-points for electric vehicles (if purchased on or after 23 November 2016)
- 18% Writing Down Allowance (WDA) – if you spent more than the maximum AIA on equipment, the excess goes into a ‘pool’ – you can claim WDA on the pool and carry forward any amount left over to next year
- 8% WDA for certain parts of buildings such as electrical systems and cars with higher CO2 emissions (over 110g per kilometre)

If you use equipment for both business and private purposes, you must reduce the allowances you claim by the private use proportion. You must keep a separate pool of expenditure for each of the items you use for private purposes.

Example

Chris buys tools for £5,000 and a van costing £10,000. The tools are for business use only. However, Chris uses the van 60% for business and 40% for private motoring so he must reduce the amount of Annual Investment Allowance (AIA) he claims on the van to reflect his private use. He has 2 pools, one for the van (because of his private use of it) and one for the tools (used wholly for business). The AIA he can claim for the van is £6,000 (£10,000 minus 40% private use).

Chris's total AIA claim is £11,000 (£5,000 for the tools plus £6,000 for the van). After he has claimed AIA he will have 2 pools of expenditure. The balance in each pool will be nil.

If Chris claimed AIA for items, such as tools or a van, and he later sells (disposes of) those items, he may need to pay back part of his allowance. This is a balancing charge.

If you are eligible to claim the new Structures and Buildings Allowance (SBA), include the amount of the claim (up to 2% of qualifying expenditure) in box 25 and in the ‘Any other information’ box of your tax return, put:

- the date the building first came into qualifying use
- the amount of qualifying expenditure incurred for the SBA
- the date the expenditure was incurred
- the amount of the SBA claimed in box 25

i For help with capital allowances and balancing charges, go to www.gov.uk/business-tax/capital-allowances

Calculating your taxable profits

Box 27 Goods and/or services for your own use

If you take goods or stock out of the business and you use traditional accounting, put the normal sale price in box 27.

If you use cash basis, put the disallowable amount (usually the cost of the goods or stock) in box 27.

If you put the full cost of expenses in boxes 11 to 19, you'll need to include any disallowable amounts in box 27.

Boxes 28 and 31 or 32

Use the working sheet aside to work out the figures for boxes 28 and 31 or 32.

Net profit box 21 or net loss box 22	A	£
Add	B	£
Balancing charges box 26	C	£
Goods and services for your own use box 27	C	£
Total add boxes A, B and C	D	£
Minus		
Capital allowances or trading income allowance add boxes 23, 24 and 25, or box 10.1	E	£
Total box D minus box E	F	£
If the amount is positive you have a net profit. Copy to box 28		
If the amount is negative you have a net loss. Copy to box 32		
Minus		
Losses brought forward box 29 - up to the amount in box 28	G	£
Total box F minus box G	H	£
Add		
Any other business income box 30	I	£
Total taxable profits add boxes H and I. Copy to box 31	J	£

Box 30 Any other business income not included in box 9 or box 10

This includes any other business income, such as rebates received, non arm's length reverse premiums and amounts treated as profit by the trading income provided through third party rules.

Losses, Class 2 and Class 4 NICs and CIS deductions

Boxes 33 to 35 Losses

You can claim tax relief for any losses you made. The amount of tax relief you claim against your income may be restricted or limited. If you've already made a claim for your 2018 to 2019 loss, include the loss in boxes 33 or 34 and give us the details in 'Any other information' on page TR 7 of your tax return.

You cannot use the trading income allowance if you make a loss.

i For information on losses, go to www.gov.uk and search for 'HS227'.
For information about the Limit on Income Tax Reliefs, go to www.gov.uk and search for 'HS204'.

Box 33 Loss from this tax year set off against other income for 2018 to 2019

Only include a loss for this tax year in box 33. If the loss is more than your other income (or your income is nil), put your other income amount (or nil) in box 33. You can claim the balance of your loss against any capital gains for 2018 to 2019, or fill in box 34 or 35.

Do not fill in box 33 if you're using the cash basis.

Box 34 Loss to be carried back to previous years and set off against income (or capital gains)

You can carry losses back to use against:

- income for the 2017 to 2018 tax year – if your loss is more than the income, you can use the remaining loss against 2017 to 2018 capital gains, do not make this claim if you use cash basis
- income in the 3 previous years – start with the earliest year – only make this claim if your business began after 5 April 2015, do not make this claim if you use cash basis
- profits of this business in the 2018 to 2019 tax year and in the 3 previous tax years – start with the latest tax year – only make this claim (for terminal loss relief) if your business ceased in the 2018 to 2019 tax year – the losses you can

claim are the losses made in the last 12 months of trade

If you use cash basis, the only claim you can make is for terminal loss relief.

If you fill in box 34, give details of the amount claimed and for which year in 'Any other information' on page TR 7 of your tax return.

i For more information on terminal loss relief, go to www.gov.uk and search for 'HS227'.

Box 35 Total loss to carry forward after all other set-offs

Carry your unused losses forward to set against any future profits from the same business. Include losses from previous years that you've not already used up in box 35.

If you use cash basis and you've not made a claim for terminal loss relief, put your loss in box 35.

Box 36 If your total profits for 2018 to 2019 are less than £6,205 and you choose to pay Class 2 NICs voluntarily, put 'X' in the box

If your taxable profits are £6,205 or more, you pay Class 2 NICs (£2.95 a week). If your profits are less than £6,205 or you made a loss, you can pay Class 2 NICs voluntarily to protect your State Pension and certain benefits. You must be registered as self-employed to pay Class 2 NICs or to pay voluntarily.

If you're registered for Self Assessment but not as self-employed go to www.gov.uk/log-in-file-self-assessment-tax-return/register-if-youre-self-employed

If you're employed and self-employed, you may be able to pay a lower amount of Class 2 NICs depending on the amount of National Insurance you pay from your wages.

You still have to pay Class 2 NICs during a temporary break if you intend to continue being self-employed. This includes:

- writers undertaking research
- short term employment
- on holiday
- on jury service

i For more information, go to www.gov.uk/national-insurance/how-much-you-pay

Put an 'X' in box 36 if you want to pay Class 2 NICs voluntarily. You cannot change your mind after you pay your bill.

You cannot pay Class 2 NICs voluntarily through Self Assessment after 31 January.

i For more information, go to www.gov.uk/voluntary-national-insurance-contributions

Box 37 If you are exempt from paying Class 4 NICs, put 'X' in the box

You do not have to pay Class 4 NICs if you were:

- at or over State Pension age, or under 16 on 6 April 2018
- not resident in the UK for tax purposes during the 2018 to 2019 tax year

Only put an 'X' in the box if you're exempt.

i For more information, go to www.gov.uk/national-insurance

Box 38 Total Construction Industry Scheme (CIS) deductions taken from your payments by contractors

If you're a subcontractor, add up all the deductions made by contractors from 6 April 2018 to 5 April 2019. Use the statements that contractors gave you.

If you have not received all the CIS statements you need from your contractor, go to www.gov.uk/what-you-must-do-as-a-cis-subcontractor/pay-tax-and-claim-back-deductions to find out what you need to do.

Do not send these with your tax return.

Even if you've already claimed a CIS repayment, put the deductions in box 38. If you've received a refund of CIS deductions, make sure you include it in box 1 'Tax refunded or set off' on page TR 6 of your tax return.

If you put any figures in box 38, check you've included the full amount of income, if more than £1,000, (before taking off the CIS deductions) for the accounting period in box 9 'Your turnover'.

More help if you need it

To get copies of any tax return forms or help sheets, go to www.gov.uk/taxreturnforms

You can phone the Self Assessment Helpline on 0300 200 3310 for help with your tax return.

We have a range of services for disabled people. These include guidance in Braille, audio and large print. Most of our forms are also available in large print. Please contact our helplines for more information.

These notes are for guidance only and reflect the position at the time of writing. They do not affect the right of appeal.