

### Tax help series

# If you stop trading - what you need to know

The quicker you tell us that you have stopped trading the better, so that we can help you get your tax affairs in order. By contacting us early it will save you time and inconvenience.

Here we tell you:

- · what we mean by 'stop trading'
- · what you need to do if you're no longer self-employed
- how to cancel your Value Added Tax (VAT) registration
- what to do if you're no longer an employer
- what to do if you're no longer working in the Construction Industry Scheme (CIS) as a contractor or subcontractor
- what to do if you sell or close a limited company.

#### What we mean by stop trading

We use the term 'stop trading' to cover what happens when:

- you've closed your business
- you've stopped being self-employed or are leaving a partnership
- your company has stopped trading
- · you've stopped employing staff
- you've cancelled your Value Added Tax (VAT) registration
- you've stopped being a contractor/subcontractor in ... Construction Industry Scheme
- the owner of a business, or a self-employed person, as died. If this is the case, go to www.hmrc.gov.uk/bereavement/indo.hth

## What you need to do if you're no longer self-employed

If you're no longer self-em, loyer or you are leaving a partnership, you need to tell us. You still need to complete your tax return and the supplementary self-employment pages for the low year in which your self-employment ended.

When you stand brings off-employed, you no longer have to pay Class 2 National Insurance continuations (CSCs). To stop paying Class 2 NICs you need to call the National Insurance of employed Helpline on **0300 200 3505**. They are open from 8.36 on to 50%, Monday to Friday and are closed weekends and bank holidays.

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

#### Customers with particular needs

If you need extra help, please let us know. For example, if:

- English is not your first language
- you would like us to use a certain format to communicate with you, for example, Braille or Text Pray.
   If you use Text Relay by
  - textphone, dial 1800 number
  - phone, dial 1800 + num.
- you would like us to wit you at home because it wifficult for you to get to one of our onless.

### What I you are unhappy with

I you are unhappy with our service, please contact the person or office you have been dealing with. They will try to put things right. If you are still unhappy, they will tell you how to complain. If you want to know more about making a complaint, go to www.hmrc.gov.uk/complaints-appeals

#### Your rights and obligations

Your Charter explains what you can expect from us and what we expect from you. For more information, go to www.gov.uk/hmrc/your-charter

# How to cancel your Value Added Tax (VAT) registration

If you stop trading, you must tell us within 30 calendar days that you need to cancel your VAT registration. To cancel your VAT registration, go to

**www.hmrc.gov.uk/vat/managing/change/cancel.htm** where you can download form VAT 7 *Application to cancel your VAT registration*. Fill in this form and return it to:

Grimsby National Registration Service HM Revenue & Customs Imperial House 77 Victoria Street GRIMSBY DN31 1DB



You must complete end-of-year returns up to the date you stopped employing people. You will also need to pay any outstanding PAYE tax and National Insurance contributions. For the forms you need to complete and payment deadlines, go to www.hmrc.gov.uk/paye/payroll/close-or-change.htm

If you sell your business, you will also have to follow regulations that set out your responsibilities to your employees. To find out more about these regulations, gracowww.hmrc.gov.uk/paye/payroll/close-or-change.htm



You should tell us as soon as possible if you stop working as a covaractor or subcontractor in the Construction Industry Scheme (CIS).

Please call the CIS Helpline on **0300 200 3210**. They are open from 8am to 8pm Monday to Friday and 8am to 4pm Saturday. The help line is closed Sundays, Christmas Day, Boxing Day and New Year's Day. For tusto pers who are deaf or hearing or speech impaired, use textphone **03 to 10 3219**. For more information, go to www.hmrc.gov.uk/cis/subcontractor/shanges.htm

If you stop trading as a CIS-register a consactor, you may need to:

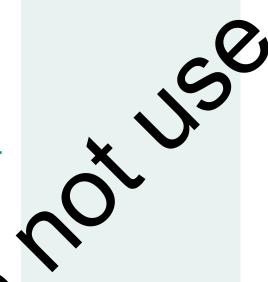
- complete the monthly CIS return for the 10nth you stopped trading as a contractor
- pay over any CIS deductions the shave been made from subcontractors' payments
- pay over any Pay As Y u Eah. (PAX) that's been deducted from employees' wages
- complete a tax return a cove the part of the tax year when you stopped trading.

#### What the do If you sell or close a limited company

If your company to see trading, or business activities close down, or is forced to close down, you will have to file Company Tax Returns. You will also have to pay to have on Tax for the final period of activity and also during the closing or hinding to process.

should account for any capital gains made when your company sells or disposes of its business assets through its Company Tax Return. For more information, go to www.hmrc.gov.uk/ct/change/selling-closing.htm

Capital Gains Tax may also be due and you may have to show details of gains or losses you personally make on the disposal of your shares or interest in the company or organisation. Go to <a href="https://www.hmrc.gov.uk/cgt/intro/report-gain.htm">www.hmrc.gov.uk/cgt/intro/report-gain.htm</a> where you can download form SA108 Capital gains summary.



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