

Self Assessment – SE1-4

Self Employment Supplementary Sheets

Introduction & VAT Boxes 3.1-3.28

Last Updated: 23rd January 2005

This supplement must be completed if at any time during the tax year, the client was carrying out a trade, profession or vocation as a self employed person in the UK or abroad.

Box 3.1 If there was more than one business, then each business must have a supplementary page completed, and there are also special rules for National Insurance Class 4 which are detailed in *Help Sheet IR220: More than one Business*

All records that relate to the details completed in the form, must be kept for a minimum of 6 years after that year end (i.e. for periods ended 2004, that would be until 31st January 2010)

Boxes 3.4-3.5 The Accounting Period is generally the 12 months up to the date chosen as the year end (annual accounting date).

Therefore, if the year end was 31st March the basis period would be from 1st April to 31st March.

If the business started part way through a year, then it is advisable to make the first year up to 31st March, due to the impact of **Overlap Profits**

Therefore if the business started on 15th August the basis period would be from 15th August to 31st March.

Boxes 3.14-3.22A Capital Allowances can be charged on business assets at agreed rates which are set during the budget. Some assets have a first year allowance of up to 40%, others can be even higher (i.e. 100% for computer and IT equipment). Always check that the allowances used are correct and keep an up to date **Capital Allowances Schedule**

Boxes 3.24-3.26 For a business with an annual turnover of <£15,000 then only summary details are required, and then onto boxes 3.74, 3.75 and 3.76.

Box 3.27-3.28 If the business is registered for standard VAT, figures can be entered either Net of VAT, or Gross. If entered Gross then any payments to HMCE are included as an expense in box 3.63, this is the easier of 2 methods detailed in the help notes (SEN4)

If the business registered for VAT within the period then expenses up to the date of registration should include VAT, regardless of whether later sales and expenses include or exclude VAT and box 3.27 ticked and a note added to "additional Information" box 3.116 to detail

- Date of registration
- Whether sales and expenses from the date of registration include or exclude VAT.

If the business deregistered the same process is followed as above

If the business is registered for the Flat rate scheme then the easiest method is to use inclusive VAT figures (box 3.27) and include the net payment to HMCE as an expense in box 3.63