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Laying It All Out: Choosing Umbrella Companies by Ed Lebbon

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Self-employment rates are quite high these days and it is equally high with rates of individuals going freelance. Now usually, people that decide on these have problems managing their tax issues or taxation and those of people working under them. The best solution so far is to opt for an umbrella company rather than choosing the other option which is the limited company. Why the first? What and how is it better than a limited company?

Before we go into details, it is of vital importance that choosing the proper process not only guides you through becoming a confident independent contractor but doing so also makes one massive difference in terms of how one person handles taxation matters.

Contractors are initially introduced to umbrella companies by way of agencies but what these agencies do not tell you is that they take something in return. How so? Companies that have a partnership with agencies have referral commissions. These referral commissions are simply fees taken off from the salary you as a contractor should be receiving in full simply because they were recommended by the company you applied for. If getting the full amount of money you have so worked hard for is your aim, then I suggest you steer clear of such companies partnering with agencies. The number one rule in searching for an umbrella company is to simply do a thorough research. Thereâ€™s a whole broad spectrum of such.

Now in choosing one, it is best to stick to the following tips. These will guide you as an individual contractor and save you a hell lot of time and not to mention money. First up, choose a company that has a fee structure that suits you. Frequently asked questions you should be asking them would include: How do they charge, weekly or monthly? If youâ€™ve got time off, are the charges continued? Is there a percentage charge for the gross amount of what you earn? Higher earning contractorsâ€™ best bet would be those companies offering a fixed fee contract. This assures that they take home the exact amount of money they have worked so diligently for.

Second tip is to take note of the frequency of payment plus finding out how often you get your salary. Delays are never an exception and such delays could happen that could of course lead to the processing of the money put into your bank account late. In cases such as these, then it is best to figure out the length of time you are willing to wait to get the money into your bank account. This not only takes of pressure from the company processing your payment but it also takes a bit of a load off of stress on your part as an individual contractor. Note that some companies pay out through CHAPS or BACS. What would be the difference? Well for one CHAPS, which stands for Clearing House Automated Payment System, credits the money into your account on the same day the note is processed. This usually charges a bit higher fee for such service. On the other hand, BACS or Bankersâ€™ Automated Clearing Services, credits the money into your account in a period of three working days. This method is the most common.

Third to take note of is to know how long the umbrella company you have chosen been in operation? Ensure that it has a base of established contractor clients and with great recommendations. Credit ratings should also be of prime importance.

There are a whole lot other tips a contractor should take note of but if you donâ€™t want to go through the lengthy process then thereâ€™s only one place to go. A company that has been in the business for long and has reliable and credible recommendations, that company is none other than Access-a. We work hard to ensure every contractor is as tax-efficient as possible and that they get the money they worked hard for in time. At Access-a, you are the number one concern.

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Ed Lebbon is the owner of Access-a a Umbrella Company Access-a is an umbrella company offering the benefits of a limited company without the administration or statutory responsibilities. With our solution, you donâ€™t have to worry about IR35, the Managed Service Company or Third Party Debt Legislation - you are outside of these regulations.

To know more about a Umbrella Company visit our website a http://access-a.co.uk/

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