Umbrella Companies: What You Need to Know.

by Ed Lebbon

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Umbrellas are something more than that item keeping you dry from the rainy weather. Nowadays, an umbrella is used for something else. How so? Combine the word umbrella with company and youâ€™ll know what I mean. However if you are one of those people new to the business of freelancing or those who are currently self-employed then allow me to explain what umbrella companies. These will greatly aid individuals such as you when it comes to the risky business of tax issues and taxation affairs.

Before going into detail about the advantages of such company, allow me to briefly explain what it does. Basically, an umbrella company unites a variety of contractors of which are those not permanently employed by one company. These people include IT engineers or builders. Contractors have various reasons as to why they enroll or join such companies.

Going back to the beginning, individuals who decide to go freelance or become self-employed decide on matters such as this simply because they feel that â€œworking aloneâ€• feels like a better optio Aside from enjoying their own freedom and space, freelancers opt to go working on their own terms because they also enjoy the perks of setting their own workload and work hours. Another perk of working on your

own terms is having the flexibility to switch the days of youâ€™d be willing to work and the flexibility of spending time with friends, family or to yourself. The greatest advantage so far is being free from the frustrations and restrictions of an all-empowering boss or employer. Freelancing offers a world of opportunities that help anyone reach their maximum potential which office jobs often restrict.

Now with regards to contractors, contractors go through an agency to secure contracts with various employers. Some agencies add contractors to an in-house system that manages their payroll. In regards to distance, such as traveling to and from area of the agency where the payroll is to be given, expenses may be claimed for transportation, accommodation and the like.

Working on your own or being a contractor may have its perks but there are legal issues to be dealt with. Working on your own terms also means you as a freelancer or a self-employed individual are responsible for filling PAYE and managing tax returns of which the HMRC would legally require everybody to do. Some individuals are quite experienced in this and choose to do all these on their own but if you arenâ€™t one of those people and you have got the idea that such a job for tax affairs is â€œtaxingâ€• then worry not because this is where an umbrella company comes into the picture.

Newly self-employed individuals or first time freelancers should understand the gravity of filling out their tax forms. It should all be done accurately and be given on time. Tax men do not care if you had car issues as to why you got your papers filled out late. They will come down hard on you and it can be quite costly plus frustrating.

The handy umbrella in this case helps out by managing all tax affairs so you wonâ€™t have to worry about HMRC legislations or the IE35. What else do they handle? They make sure contractors are in contact with the cash they worked so hard for to earn. This also includes reimbursing all expenses incurred that are directly involved with the freelancerâ€™s work or the self-employed individualsâ€™ business. Imagine the relief you get when you claim all the expenses. This reduces NIC contributions plus your overall tax meaning more money for you.

If an umbrella company is what you need then look no further than Access-a. At Access-a we aim to

make you 100% tax efficient. Apart from that, we manage all your work records and expenses, monitor payments made and payments due plus monitor funds received. We have a 24-hour portal with knowledgeable individuals at hand ready to answer your every query on tax affairs and issues. We assure you that our services are highly professional and that our solutions maximize any contractorâ€™s income. We do it in the most legal and tax-efficient manner. Youâ€™ll never have to worry about taxes again.

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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.

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