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Gaining Tax Benefits from Forming a Limited Company by [Crowin Smith](#)

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Contracting has become an attractive game that many professionals are attracted towards, and stepping towards this domain. Making a transition from a full time job is a hard thing to do for most people who prefer the normal flow of the corporate world. Such people are dependent on the structure of the organization, and prefer to remain within the box. Job security is one thing that keeps people from exploring the possibilities that exist in the world. However, in turbulent economic times the factors that govern the business industry completely transform, and most companies are plagued with shrinking profits. This forces many people to make the shift into the world of freelancing to ensure they are able to support their families. Succeeding as a freelancer requires the knowledge of every aspect, and the different situations that can arise in this field. It's best to work smarter than working harder to make a living to reduce the stress level. It is a hard task to go through every detail, and deal with it using limited information. Time is the most important factor in any business venture, and cannot be regained when lost. Freelancers come under the category of sole traders when they begin working in this field. It involves less paper work, and they can avail tax back from the government if they are incurring loss in their venture. However, they become liable to unlimited liability on their personal assets when they end up in a lawsuit. Creating a Limited company is the perfect way to create a wall between their personal assets.

It is best to take the advice of a professional accountant to go through the intricacies of the laws that governs the business world. They can easily help finish off the paper work that comes with opening a Limited company, and maximizing their take home income at the same time. Those professionals that are new to freelancing do not have to worry about the HMRC & Companies House compliance as all taken care by the accountant. The accountants create a system of constant contracting health checks to help the freelancers stay up to date with any changes in the laws according to every contract. There are many informational tools that are also provided to clients to help them understand the laws under which their business profile comes under, and help them at a deeper level. This is one service that no freelancer can afford to miss out on.

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