Umbrella Companies: Choosing the Right One

by Ed Lebbon

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In todayâ€™s society, more and more individuals pursue the job of being self-employed or becoming a freelancer. Why? Simply because freelancers and the self-employed get to manage their own time, workload and income unlike those stuck at a desk job with restrictions and limitation placed on them by their bosses. Becoming a freelancer or contractor is easy but managing tax affairs that go along with it can be tricky but with the help of an umbrella company then tax issues wonâ€™t have to be so taxing.

Like in choosing an umbrella, we opt for the strongest kind. It should be able to brave the ever changing weather. Same as with choosing an umbrella company, these should not only make contractors 100% tax efficient as of the present time but in the future as well. So what are other things to keep in mind in choosing an â€œumbrellaâ€•? Donâ€™t be misled by the flashy names or false promises they may make. Doing a thorough research is always the best way to go.

All companies may say that they are IE35 compliant but with todayâ€™s society everything changes in laws, legislation's and rules. Make sure that they have a back-up plan or they are ready to make adjustments easily when in case occurrences such as this happen. Some companies use the PAYE system as a marketing tool but take note that all companies use this system for paying contractors. There isnâ€™t anything else.

Apart from those mentioned above, it is vital to check the trustworthiness of umbrella companies simply by how they claim your expenses. Companies that say you can submit expenses without the receipt is a sign that these arenâ€™t trustworthy at all. The HMRC investigates all claims on expenses and if in cases such things like these occur then youâ€™d be in trouble and not the company.

Up next is to check their fee structure. Others have a flat rate fee for given services while others have charge rates which will be based on the contractorâ€™s income. Now if you earn higher then of course youâ€™d pay a higher fee than contractors who earn way less. The same thing goes if your rate goes lower but if your income goes higher or gets an increase then the rate you pay equally goes up. It is best to check that the firm would charge a set amount for each month. Another thing to watch out for is companies setting up exit fees as well as fees or penalties when you opt to terminate your contract.

Your prospective company should give you a tangible format of how quick they pay out. Some take longer when it comes to submitting invoices and sending out payments thus you get paid longer. Alongside that it is also best to ask if they would hold your money in cases of sick pay, holiday pay and a variety of other reasons. This works best for contractors who would want such option but if this is not something you need then slash this off your list.

Great customer service is another thing you should be looking for. Do they have online system with live people working to help you out instantly? Aside from that, how long would it take them to solve your problem? Find out if they have a designated account manager for each contractor.

Just like searching for the best bank or insurance company, we ask for referrals from friends or scroll through user comments. The same thing works best with umbrella companies as well. Ask around and get as much information as possible if you have a prospective company in mind. With these mentioned, you know exactly what to look for in a company.

To save you the trouble then look no further than Access-a. Weâ€™re comprised of a team who are

knowledgeable on all tax issues and accounting affairs to ensure you are 100% tax-efficient and compliant with the IE35 even in cases of changes in the legal system. Our solutions are future-proof. Aside from that, we aim to make sure you get all the assistance you need through our 24-hour portal with your very own account manager. At Access-a, we aim to make your tax affairs as easy as possible so you get more time for your work and more money in the bank.

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Ed Lebbon - About Author:
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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