Taxes, finances, holidays, numeracy

SORTING out your taxes and your finances is the theme of the London Freelance Branch meeting on Monday 8 July.

Some of you may have already received the standard HMRC letter reminding you that you have to submit a tax return by 31 January 2014, or by 31 October this year for an “old school” paper tax return. It may seem a long way off, but these deadlines have a habit of creeping up on you, so now’s the time to start thinking about it.

In a tough time for freelancing, we need to think about how to pay no more tax than you legally have to and then how to take care of what’s left to deal with all the normal contingencies from horrible bills to lovely holidays, family necessities and delights and even the possibility that you might live for some while and want to avert fiscally glum circumstances when you get there. So we shall.

Our speakers are accountant Eric Longley – accountant to the stars, and to some LFB members – and financial adviser Ion Tsakalis, who also advises LFB people.

For Eric’s last LFB appearance, in 2010, see www.londonfreelance.org/fl/1006tax.html

There is no LFB meeting in August, as the Branch takes the nearest freelance equivalent to a holiday.

The Branch returns on Monday 9 September, with a meeting – provisionally – on how to avoid being bamboozled by figures, and how to avoid bamboozling your readers on matters numerical. We are inviting speakers are from the world of statistics-literate journalism: more details next issue.

Untangle those tax websites

JULY’s LONDON Freelance Branch meeting will hear from accountant Eric Longley about the ins and outs of tax for freelances. (See top of page.) To get us warmed up, LFB’s own Humphrey Evans (a tutor on NUJ Training’s courses for freelancers) has produced a quick guide to some of the tax advice out there online. This directs members to some sites to trawl for guidance.

You can find Humphrey’s meta-guide (a guide to guides) on tax websites at www.londonfreelance.org/fl/1306tax.html.

If we had to boil the advice down to one sentence, we’d say: don’t try to get clever with Her Majesty’s Revenue and Customs. (Shown here is their office in Aldwych.)

Mark Williams

(full editing service, reasonable rates)

Letters

Haymarket details

THE FREELANCING situation at Haymarket is much more complex than Tim Dawson suggested in the April Freelance. The new régime began with the insistence that I register on Haymarket’s “Supplier Management System” – a lengthy series of forms which asked extremely intrusive questions about turnover and profit, and even delved into the detail of my liability insurances (which it was clear Haymarket expected me to have).

These forms took me four unpaid hours to complete.

This is, I am told, an attempt to establish that you are actually self-employed, and I have some sympathy with Haymarket’s belts-and-braces approach. HMRC is hounding the self-employed mercilessly at the moment, and Haymarket needs to cover its ass.

That said, the suggestion at the end of my last contract with Haymarket was that they would now tax everyone at source regardless; I made it perfectly clear to them that I can show six years’ accounts and a list of 20 clients which say I am self-employed; I am not prepared to go through the ridiculous charade of being offered holiday and the expense of reclaiming income tax, merely because Haymarket’s not prepared to have a showdown with HMRC. I have not worked for Haymarket since.

It’s facile to blame Haymarket for this situation. The culprit is HMRC with its zeal for pursuing the small change of freelances, because tackling huge corporate tax fraud has been placed in the round file marked “Too difficult.”

Broadening the subject to rates (and Haymarket’s were decent), a fag-packet calculation shows that anyone earning less than £140 a day at the moment would be better off getting a salary; add in the inevitable week when the work dries up and the sums show that the minimum experienced freelancers should settle for is £150. And that ignores the cost of actually running your micro-business.

Mark Williams

(ordinary service, reasonable rates)