

Should a business Incorporate?

All details are input in Light Blue boxes

1. Input client name, taxpayer status, total profit, & Gross pension cont. to be paid.

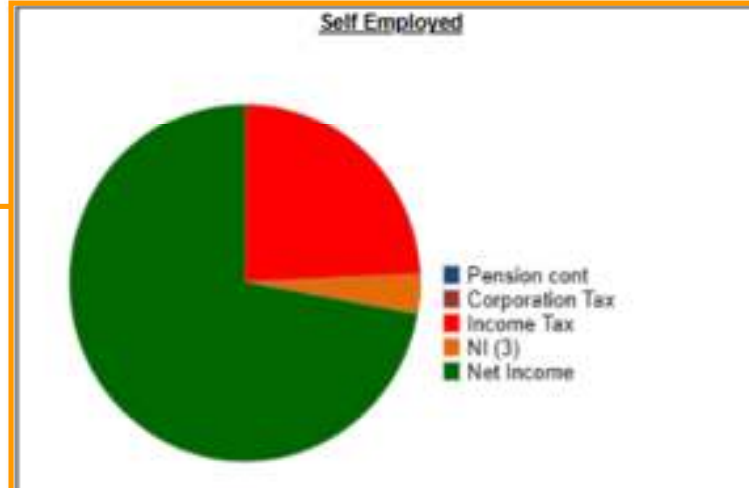
Will then calculate options of;

- Being Self employed, &
- Incorporating

Name	Mr X
Taxpayer in?	UK (exc Scotland) ▼
Gross Profit	80,000.00
Gross Personal pen cont	0.00

If client is **Self Employed**, this [pie chart](#) shows split between;

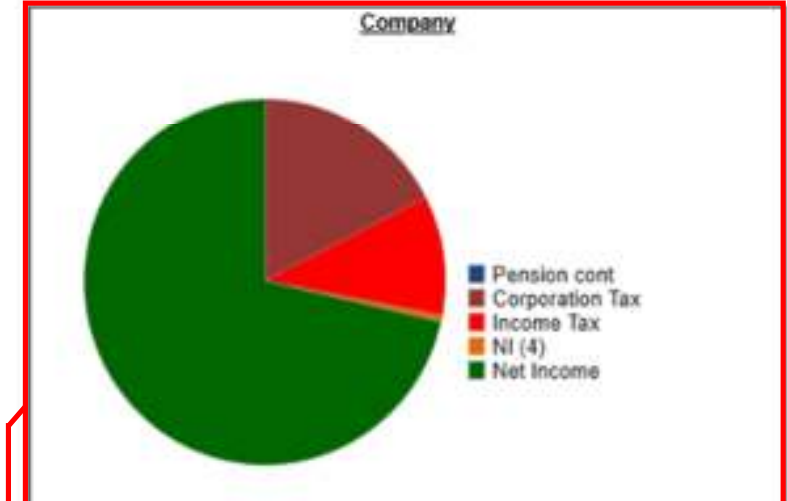
- Income Tax, National Insurance,
- Net Spendable Income (NSI), and
- Pension Contribution, if any.
- There would no Corporation Tax payable



These are the [figures](#) of being Self Employed showing;

- Income Tax, National Insurance,
- NSI & pension contribution

Pension cont	£0.00
Corporation Tax	£0.00
Income Tax	£19,432.00
NI (3)	£2,856.60
Net Income	£57,711.40



Pension cont	£0.00
Corporation Tax (2)	£13,992.05
Income Tax	£8,404.94
NI (4)	£478.86
Net Income	£57,124.15

Total net income will reduce
Client may be better off remaining unincorporated

If client **incorporates**, this pie shows split between;

- Corporation Tax, Income Tax, & National Insurance,
- Net Spendable Income (NSI), and
- Pension Contribution

These are the [figures](#) of Incorporating to achieve;

- The *same* Net Spendable Income, &
- Pay additional amount into a pension