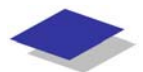


Help is on hand – At last!

Unlock your financial future with the Helpline system designed specially for ACN Independent Representatives



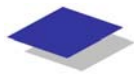


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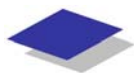
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Introduction

Many people who start a business with ACN haven't been in business before. The tax rules and National Insurance regulations can appear quite frightening. But the costs of retaining an Accountant to help you may be equally frightening.

That is why the Helpline Service helps to keep your accounting costs to a minimum. You only pay for what you want and what you can afford.

This new system works best for distributors who use the Add-Up Accounting Book.

Armed with the guidance you'll get, you should be able to keep your books and records in good order and complete the skeleton of your annual accounts for us to review. After our review we will then be able to complete your Self-Assessment Tax Return and send it to you to sign and forward to HM Revenue & Customs to agree your tax position for each year.

What does the Helpline service include?

The Helpline Service includes:

-  **Clear guidance** - to help you use the Add-Up accounting system and prepare your own annual accounts.
-  **A skeleton form of annual accounts** - for you to slot in your figures at the end of your financial year.
-  **Preparation of your tax computations** - so you can comply with the self-assessment tax rules.
-  **Preparation of your Self-Assessment Tax Returns** - to comply with Inland Revenue requirements. Advice on how to maximise your tax relief.
-  **Access to our database of Information Publications** - designed to make life easier for busy owner-managers.
-  **Better Business Focus** - a free copy of the unique monthly *Better Business Focus* publication is available on our website. It's jam-packed with articles on marketing, selling, business-building, motivating, leadership, management and many other key skills to make your business really fly.

And of course, as you'd expect, all of your personal tax and financial details are treated in the strictest confidence.

What does the Helpline service cost?





The Helpline Service costs £100 + VAT per tax return. Therefore if you are a sole trader, your annual cost will be £100 + VAT. If you are in partnership, your annual cost will be £300 + VAT because we will need to prepare 2 individual tax returns and a partnership tax return.

Add-Up Accounting Book

Subscribers to the Helpline Service are given the Add-Up Accounting Book system, free of charge as part of this publication.

Subscribing to this service

Subscribing to the service couldn't be easier. All you have to do is to:

-  Complete the Registration Form (the next page that follows).
-  Write out a cheque for our charges.
-  Complete the personal information details form (included with this publication).
-  Visual/Identification documents - Original Passport or Photo driving licence and an utility bill showing your current address (re: Money Laundering Act - 1 March 2004)

... and post the lot to us.

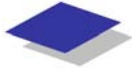
Once we have reviewed your details, we will take the necessary copies and return the originals to you, together with our standard engagement letter for you to complete - don't worry. All the information you'll need will be ready to hand - especially if you've used the Add-Up Accounting Book.

Amnesty Accounts

Some subscribers may not have filed accounts with the Inland Revenue or may have no accounting information available for previous years.

If you are in this position then we can help you by negotiating on your behalf with "Amnesty Accounts" to try to persuade the Inland Revenue that no profits arose for those earlier years and also that you will not be entitled to any tax relief for the early losses which you may have suffered - please enquire about our fees for this work if you need Amnesty Accounts.





REGISTRATION FORM

Helpline Subscription

(please photocopy, complete and send to us at the address shown at the end of this publication)

**Tick
Boxes Below**

- I/We have completed the Personal Tax and Financial Details Form, which is included with this subscription form.
- I/We wish to become a Helpline subscriber

SIGNED

DATE

Your Personal Name:

Business name (if different)

Address:
.....
.....

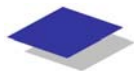
Post Code:

Telephone (Home): (Work)

Fax (Home): (Work)

Mobile Phone:

E-mail address:



Personal Tax and Financial Details Helpline System

(please photocopy, complete and send to us at the address shown at the end of this publication)

Your full name Your Date of Birth

Spouse's /Partner's full name Date of Birth

Your address

Post Code

Tel: Fax: E-mail:

What is the present selling value of your home? £

When did you buy your home? (Date:MM/YY) How much did you pay for it £.....

How much did you borrow to buy your home? £ How much is still owing? £.....

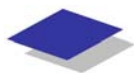
What is the rate of interest?

When did you become an ACN Representative? (Date: MM/YY)

Have any business accounts been prepared (if so, please send us a copy)? YES/NO

Please supply some details of where you and your spouse work
(job, salary, employer, NIC number and so on)

You	Your Spouse/Partner (please specify which):
Job	Job
Salary/Annual Income from your main job/self employment	Salary/Annual Income from your main job/self employment
Name of Employer	Name of Employer
NIC Number	NIC Number
Any other relevant information	Any other relevant information
Do you have a company car? If so, what is it?	Do you have a company car? If so, what is it?
What is the CO ² emission rating?	What is the CO ² emission rating?
(Approximately) what is your total annual income? This year £ Last year £ 2 years ago £	(Approximately) what is your total annual income? This year £ Last year £ 2 years ago £
If you already have an accountant or tax advisor, please supply the name and address:	If you already have an accountant or tax advisor, please supply the name and address:



Accountants and Business Development Specialists

**Kingfisher House.
Hurstwood Grange . Hurstwood Lane
Haywards Heath . West Sussex . RH17 7QX
DX: 300308 Haywards Heath 1**

T. +44 (0) 1444 458252 F. +44 (0) 1444 458184

Find us:



Contact us:

Chris Whitley-Jones BSc (Econ) FCA

Managing & Audit Partner

Mobile: 07730 957002

E-mail: cwhitley-jones@prbmp.com

Multi-level Marketing Sector
Financial Investigations
Registered Audit Work for Companies
Preparation of Accounts
Due Diligence Work
Special Reports

Investigations and Forensic Review
Litigation Support Services
Reporting Accountants on Flotations
Share Option Schemes
Accident and Insurance Claims
Factoring and Book Debt Finance

John Forgham BSc (Econ)(Hons)

General Practice Partner

Mobile: 07730 957004

E-mail: jforgham@prbmp.com

Accounts and Tax Computations
Client Money Audit Work
Management Accounting Work
Payroll Services
Bookkeeping and VAT Returns
Outsourcing

Accounting Bureau Work
Business Monitoring
Business Plans and Projections
Advice on Employee-Benefit Schemes
P11D Record Keeping Systems

Simon Power ACA

Tax Partner

E-mail: spower@prbmp.com

Self Assessment Tax Returns
Corporate Tax Compliance
Capital Gains Tax Advice
Capital Gains and Inheritance Tax Planning
VAT Compliance and Planning
Tax and VAT Investigations
Share Valuations

PAYE and P11D Advice
National Insurance Advice and Planning
Share Option Schemes
Tax Shelter Advice
Enterprise Investment Scheme Advice
Enterprise Management Incentive Scheme Advice

Kim Lo BSc (Hons) ACA

Audit Partner

Mobile: 07786 925660

E-mail: klo@prbmp.com

Registered Audit Work for Companies
Preparation of Accounts
Bookkeeping and VAT Returns
Self Assessment Tax Returns

Charity Accounts & Audit Work
Sage Line 50
Tax Computations
Management Accounting

Michael Cole FCA

General Practice Partner

Business Monitoring
Tax Planning
Bookkeeping and VAT Returns
Partnerships and Sole-Trader Accounts

Owner-Managed Limited Companies Accounts and Compliance
Personal Tax Returns
Planning for Retirement and monitoring Retirement Plans

Jackie Richardson ACA

Consultant

Statutory Audit Work for Companies
Preparation of Accounts for Companies, LLPs, Partnerships and Individuals
Accounting Bureau Work

Management Accounts
Taxation for Corporate Clients, LLPs, Partnerships and Individuals including direct and indirect Taxation
General Business Advice

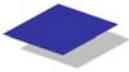
PRB ACCOUNTANTS LIMITED LIABILITY PARTNERSHIP

Registered Office. Kingfisher House . Hurstwood Grange . Hurstwood Lane . Haywards Heath . West Sussex. RH17 7QX

T. +44 (0) 1444 458252. F. +44 (0) 1444 458184. E. info@prbmp.com. W. www.prbmp.com

Incorporated in England & Wales. Company Number. OC300414

Members: John Forgham BSc (Econ), Simon Power FCA, Chris Whitley-Jones BSc (Econ) FCA, Kim Lo ACA, Michael Cole FCA



GUIDANCE FOR USING THE ADD UP ACCOUNTING BOOK

PAYMENTS

- 1) The Add Up Book is separated into individual spreadsheets labeled Month 1 to Month 12 on tabs at the bottom of your screen. You need to rename Month 1 as the first month you began trading i.e. April 2009, and so on.
- 2) The top part of the spreadsheet is named 'Payments'. In here you should record all your purchases, noting the Date, Supplier, Total spent and then analyse the purchase by placing it under the relevant column representing what the purchase was for. Please see attached EXAMPLE spreadsheet detailing this for month July.

RECEIPTS

- 1) The next section is titled 'Receipts' and here you should record all income received during the period.

ACN MILEAGE

- 1) In this section, you will need to record mileage for ACN business trips and meetings. This information will be used to calculate your mileage for tax allowable motor expenses.

It would be beneficial for you to keep as many receipts and invoices as possible for your records and to back up the accounting information you have supplied. At the end of your financial year please make a note of the amount of stock you have.

Upon registration with PRB, you can choose either a manual Add Up Accounting Book as described above or an Excel Spreadsheet format of the Add Up Accounting Book.

When you have completed your spreadsheets please forward them to us -

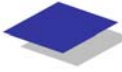
By post to Mr C Whitley-Jones, PRB Accountants LLP, Kingfisher House, Hurstwood Grange, Hurstwood Lane, Haywards Heath, West Sussex, RH17 7QX

Or Email spreadsheets to: cwhitley-jones@prbmp.com or cbrooker@prbmp.com

Please note that the deadline for filing your Self Assessment return for the tax year 6th April 2009 to 5th April 2010 is 31st January 2011.

Please appreciate that late submission of your records may mean late filing – for which you may be fined!

The quicker you file your return with the HM Revenue and Customs, the quicker you *could* receive your tax relief!



NOTES

PAYMENTS IN MONTH - JULY

EXAMPLE

Date	Supplier / Details	Total	Motor Expenses	Adverts / Promotion	Printing, Postage & Stationery	Travel Expenses	Accountancy Fees	Business Bank A/C Charges	Meeting Expenses	Training Courses	Sundry Expenses
03-Jul-09	Ramada Hotel	25.00								25.00	
03-Jul-09	Train Fare	11.20				11.20					
05-Jul-09	Post Office - Stamps	3.84			3.84						
07-Jul-09	Fuel	30.00	30.00								
14-Jul-09	Literature	18.00		18.00							
18-Jul-09	PRB	100.00					100.00				
20-Jul-09	Sundry Expenses	40.00									40.00
24-Jul-09	Coffee, Tea and Biscuits	7.20							7.20		
27-Jul-09	Brookers Advertising	68.25		68.25							
27-Jul-09	Envelopes	2.85			2.85						
28-Jul-09	Business Bank Account	12.00						12.00			
29-Jul-09	Cost of stall at Fair	20.00		20.00							
		338.34	30.00	106.25	6.69	11.20	100.00	12.00	7.20	25.00	40.00

For assistance please call 01444 458252



RECEIPTS IN MONTH - JULY

EXAMPLE

Date	Customer	Total	Bonus	Meeting Receipts	Sundry Receipts
03-Jul-09	Capital Introduced	100.00			100.00
18-Jul-09	Ticket Sales	15.00		15.00	
20-Jul-09	Capital Introduced	50.00			50.00
30-Jul-09	June Commission	51.00	51.00		
		216.00	51.00	15.00	150.00

For assistance please call 01444 458252





You must tell us immediately when you start self-employment so we can arrange to collect Class 2 National Insurance contributions; you need to pay them to protect your rights to State Pension and other benefits. To tell us about your self-employment phone our helpline for the newly self-employed on 0845 915 4515, or you can complete this form and return it to the address overleaf. To tell us online, go to www.hmrc.gov.uk/selfemployed and select 'Register as self-employed'.

The best way to pay is by Direct Debit. Just fill in the application form and send it to us. Our automated collection process will give you peace of mind that your future rights are protected.

Not paying your National Insurance contributions puts your right to benefits at risk. If you are late telling us about your self-employment, you may attract a penalty. Please tell us the reason for any delay in the 'Additional information' box overleaf. Please complete this form in capital letters, taking particular care to complete the questions with this symbol i

About you

Title - enter Mr, Mrs, Miss, Ms, or other title

Surname or family name

First name(s)

Your date of birth DD MM YYYY

Previous surname (if applicable)

Date of name change DD MM YYYY

Your National Insurance number

If you do not have a National Insurance number please tick the box

If you were previously self-employed please tell us your most recent tax reference. It will be the ten-digit reference (the UTR) in the top left-hand corner on page 1 of your Tax Return.

Your address

Postcode

Your daytime contact phone number

If you are not a UK resident, and have come to the UK from abroad within the last 12 months, please tick this box

About your business

When did you start working for yourself? DD MM YYYY

What sort of self-employed work do you do?

If you intend working as a subcontractor in the Construction Industry you must be registered with the HM Revenue & Customs Construction Industry Scheme. To find out how to do this phone the CIS Helpline on 0845 366 7899.

Please tick this box if you are a Share Fisherman. Otherwise leave blank.

Please tick this box if you are on the New Deal 25+ scheme. Otherwise leave blank.

What is the name of your business?

Business address

Postcode

Your business phone number if different from your contact number

What is your position in the business? For example, sole trader, partner

Do you have any business partners?

No Yes

If you have business partners they also must register.

Business partner's name

Business partner's National Insurance number

Your business continued

Business partner's address

Postcode

If you have more than one partner please write their names, addresses and National Insurance numbers in the 'Additional information' box.

If you are joining an existing business partnership, please provide the partnership tax reference number

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If you are going to do all the work for one person or firm, you may be an employee. For more information you can:

- phone the Self Assessment Helpline on **0845 9000 444** or
- go to any HM Revenue & Customs office.

If you are, or will be, doing all your work for one person or firm, please enter their name and address

Full name
Address
Postcode

How to pay your Class 2 National Insurance contributions (NICs)

For tax year 2009-10 self-employed National Insurance contributions are £2.40 per week.

To arrange payment of your National Insurance contributions fill in form CA5601 *Application to pay self-employed National Insurance contributions (NICs) by Direct Debit*.

If you are unable to pay by Direct Debit we will arrange to send you a bill every 13 weeks. These will be issued in January, April, July and October.

If you expect your income from the business to be below £5,075 for the tax year 6 April 2009 to 5 April 2010 you may not have to pay National Insurance contributions.

If you would like more information on the Small Earnings Exception (SEE) tick the box.

Employing someone else

If you are thinking of taking someone on, or already employ someone else, please phone the New Employer Helpline on **0845 60 70 143** or tick the box and we will send you more information.

VAT

Please read the note about VAT in leaflet SE1 *Thinking of starting your own business*. If you would like a VAT 1 *Application for registration* form tick the box

Starting up in business guide

Please tick the box if you do not want us to send you a copy of SE2 *Giving your business the best start with tax* after you have registered. You can also find it at www.businesslink.gov.uk/taxhelp

Signed

--

Date DD MM YYYY

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Additional information

Please send the completed form to:

National Insurance Contributions Office
Central Agent Authorisation Team
Benton Park View
Newcastle upon Tyne
NE98 1ZZ

or take it to any HM Revenue & Customs office.

For official use only

System Action Complete

NIRS TBS SA

Please read the notes on the back before completing this authority. This authority allows us to exchange and disclose information about you with your agent and to deal with them on matters within the responsibility of HM Revenue & Customs (HMRC), as specified on this form. This overrides any earlier authority given to HMRC. We will hold this authority until you tell us that the details have changed.

Please tick the box(es) and provide the reference(s) requested *only* for those matters for which you want HMRC to deal with your agent.

I, <i>(print your name)</i>
of <i>(name of your business, company or trust if applicable)</i>
authorise HMRC to disclose information to <i>(agent's business name)</i>
who is acting on my/our behalf. This authorisation is limited to the matters shown on the right-hand side of this form.
<i>Signature</i> see note 1 before signing
<i>Date</i>

Give your personal details or Company registered office here

Address
Postcode
Telephone number

Give your agent's details here

Address
Postcode
Telephone number
Agent codes (SA/CT/PAYE)
Client reference

For official use only

SA <input type="checkbox"/> / /	COTAX <input type="checkbox"/> / /
NIRS <input type="checkbox"/> / /	EBS <input type="checkbox"/> / /
COP <input type="checkbox"/> / /	VAT <input type="checkbox"/> / /
NTC <input type="checkbox"/> / /	COP link <input type="checkbox"/> / /

Individual*/Partnership*/Trust* Tax Affairs
*delete as appropriate (including National Insurance).

Your National Insurance number *(individuals only)*

If you are self employed tick here

Unique Taxpayer Reference *(if applicable)*

If UTR not yet issued tick here

If you are a Self Assessment taxpayer, we will send your Statement of Account to you, but if you would like us to send it to your agent instead, please tick here

Tax Credits

Your National Insurance number *(only if not entered above)*

If you have a joint Tax Credit claim and the other claimant wants HMRC to deal with this agent, they should sign here
Name

Signature

Joint claimant's National Insurance number

Corporation Tax

Company Registration number

Company's Unique Taxpayer Reference

Employer PAYE Scheme

Employer PAYE reference

Accounts Office reference

VAT *(see notes 2 and 5 overleaf)*

VAT registration number

If not yet registered tick here

1 Who should sign the form

If the authority is for

Who signs the form

You	You. We need the name of the business in all cases unless this form is for your personal tax affairs
Partnership	The partner responsible for the partnership's tax affairs. It applies only to the partnership. Individual partners need to sign a separate authority for their own affairs
Trust	One or more of the trustees
Company	The secretary or other responsible officer of the company

2 What this authority means

• For matters other than VAT or Tax Credits

We will start sending letters and forms to your agent and give them access to your account information online. Sometimes we need to correspond with you as well as, or instead of, your agent.

For example, the latest information on what SA forms we send automatically can be found on our website, go to www.hmrc.gov.uk/sa/agentlist.htm or phone the SA Helpdesk on **0845 9 000 444**.

You will not receive your Self Assessment Statements of Account if you authorise your agent to receive them instead, but paying any amount due is your responsibility.

We do not send National Insurance statements and requests for payment to your agent unless you have asked us if you can defer payment.

Companies do not receive Statements of Account.

• For VAT and Tax Credits

We will continue to send correspondence to you rather than to your agent but we can deal with your agent in writing or by phone on specific matters. If your agent is able to submit VAT returns online on your behalf, you will need to authorise them to do so through our website. For joint Tax Credit claims, we need both claimants to sign this authority to enable HM Revenue & Customs to deal with your agent.

5 Where to send this form

When you have completed this form please send it to:

HM Revenue & Customs, CAA Team, Longbenton, Newcastle upon Tyne, NE98 1ZZ.

There are some exceptions to this to help speed the handling of your details in certain circumstances.

If this form:

- accompanies other correspondence, send it to the appropriate HM Revenue & Customs (HMRC) office
- is solely for Corporation Tax affairs, send it to the HMRC office that deals with the company
- is for a Complex Personal Return or Expatriate customer, send it to the appropriate CPR team or Expat team
- accompanies a VAT Registration application, send it to the appropriate VAT Registration Unit
- has been specifically requested by an HMRC office, send it back to that office.

3 How we use your information

HM Revenue & Customs is a Data Controller under the Data Protection Act 1998. We hold information for the purposes specified in our notification to the Information Commissioner, including the assessment and collection of tax and duties, the payment of benefits and the prevention and detection of crime, and may use this information for any of them. We may get information about you from others, or we may give information to them. If we do, it will only be as the law permits.

We may check information we receive about you with what is already in our records. This can include information provided by you, as well as by others, such as other government departments or agencies and overseas tax and customs authorities. We will not give information to anyone outside HM Revenue & Customs unless the law permits us to do so.

This authority does not allow your agent to request personal information held about you under the subject access provisions of the Data Protection Act 1998.

Further information can be found on our website, www.hmrc.gov.uk

4 Multiple agents

If you have more than one agent (for example, one acting for the PAYE scheme and another for Corporation Tax), please sign one of these forms for each.

Introduction

This form is intended for self-employed people with small earnings and the guidance notes should give you enough information to help you make a decision about applying for a Certificate of Small Earnings Exception.

If, after reading the guidance, you decide you want to apply for a certificate, please fill in the attached application form.

If you need more information phone the Self Employed Helpline on **0845 915 4655**, or go to www.hmrc.gov.uk/selfemployed

Why pay Class 2 contributions?

Class 2 contributions count towards:

- Incapacity Benefit/Employment and Support Allowance
- basic State Pension
- bereavement benefits
- Maternity Allowance.

If you are only liable for Class 2 contributions, you should consider your position carefully before applying for a Certificate of Small Earnings Exception.

If you apply for and are granted exception from National Insurance contributions, **you may lose your entitlement to benefits by not paying Class 2 contributions.**

For example, if you do not pay contributions for any period, your basic State Pension may be affected. If you leave a widow, widower or civil partner he or she may get a reduced rate of benefit or no benefit at all.

Even if you receive a Certificate of Small Earnings Exception, you can still pay Class 2 contributions voluntarily to keep your entitlement to some benefits.

If you want to pay Class 2 contributions voluntarily, tell us at part 14 on the attached application form or return your Certificate of Small Earnings Exception with item 1 completed.

Who pays Class 2 contributions?

If you are aged 16 or over and self-employed you must pay Class 2 contributions, currently £2.40 per week, unless:

- you are over State Pension age, currently 65 for a man and 60 for a woman, even if you have not retired, or
- you are entitled to reduced contribution liability as a married woman or widow, or
- you have applied for and been given a Certificate of Small Earnings Exception for the period concerned.

Contributions paid on time will be payable at the rate in force at the time the contributions were due. If you pay Class 2 contributions more than a year late you may have to pay them at a higher rate, which is the highest rate in force between the date the contributions were due and the date you pay them.

Self-employed in your spare time

You have to pay Class 2 contributions if you are self-employed in your spare time. This applies even if you are also paying Class 1 earnings related contributions as an employee, or office holder. But you do not have to pay Class 2 contributions if you apply for and are granted a Certificate of Small Earnings Exception.

Self-employed and claiming Jobseeker's Allowance

If you are self-employed and get Jobseeker's Allowance (JSA) you may be awarded JSA credits but you remain liable for Class 2 contributions.

But, if your earnings from self-employment are below the small earnings exception level you can apply for a Certificate of Small Earnings Exception. If awarded, you need not pay Class 2 contributions.

Special circumstances

Men reaching or over age 60

If your earnings are low and you are aged 60 or over, or will reach that age between 6 April 2009 and 5 April 2010, it may be worthwhile applying for a Certificate of Small Earnings Exception.

If you are granted exception in these circumstances, you will be given contribution credits automatically to protect your basic State Pension and other benefits. But credits cannot be given if you spend more than 182 days abroad within a year.

Caring for someone - Home Responsibilities Protection / Carer's Credit (from 6 April 2010)

Home Responsibilities Protection (HRP) can help to protect your basic State Pension and your spouse or civil partner's right to bereavement benefits if you:

- do not work, or
- your earnings are not enough to count for basic State Pension.

HRP will no longer be available for tax years that commence on or after 6 April 2010. This will be replaced by new crediting arrangements that will enable customers qualifying to build up entitlement to basic State Pension and State Second Pension by receiving weekly National Insurance Credits. For further information, please go to www.thepensionservice.gov.uk

Small earnings

Do I have small earnings?

You will be classed as having small earnings and may not have to pay Class 2 contributions if your earnings, that is money left after expenses:

- were less than £4,825 for the period from 6 April 2008 to 5 April 2009 and/or
- are expected to be less than £5,075 in the tax year period from 6 April 2009 to 5 April 2010.

Working out your earnings

Your right to a Certificate of Small Earnings Exception depends on your total net earnings from self-employment as shown, for example, on a profit and loss account.

You cannot apply for small earnings exception if your earnings from self-employment during the period from 6 April 2009 to 5 April 2010 have already reached £5,075 by the time you apply for exception.

If you are self-employed in more than one business, you should add together the net earnings from each so that a loss incurred in one may be offset against a profit in another.

Do not count as earnings any income from the New Deal scheme or from sources other than self-employment.

To work out your total net earnings, deduct from gross earnings any business expenses you incurred whilst self-employed. For example, you can deduct rent and rates, insurance, employees' wages, printing and stationery, repairs and postage. You should also make an allowance for depreciation of equipment such as a vehicle if it is used for your business.

You should not make deductions for any of your own drawings, income tax payments or for Class 2 or Class 4 contributions payable.

You should account for the amount or value of any stock you withdraw from your business for your own use.

Where you also have earnings from employed earner's employment in the same year **and** those earnings are shown in the accounts of the business as a business receipt, those earnings can be disregarded when calculating the profits from your self-employed business.

After receiving your estimate of what you are likely to earn during the period from 6 April 2009 to 5 April 2010, we may take into account your earnings during earlier years and any changes that have occurred since.

How to apply for Small Earnings Exception

Fill in the attached application form and send it to:

HM Revenue & Customs
National Insurance Contributions Office
Self Employment Services
Benton Park View
Newcastle upon Tyne
NE98 1ZZ.

When to apply

If you can show that your net earnings from self-employment for the period from 6 April 2009 to 5 April 2010 are expected to be less than £5,075, you will not have to pay Class 2 contributions. You can apply for exception as soon as possible.

Your Certificate of Small Earnings Exception

If your application is approved, we will send you a Certificate of Small Earnings Exception. The certificate will show the period it covers and will normally end in April at the end of the tax year. The certificate will usually be effective from the date of your application although it may be backdated for up to 13 weeks. It cannot be issued to cover any week that you have already paid a Class 2 contribution.

But, you may be able to get a refund of the contributions you have already paid - see *Getting a refund*.

As a certificate can only be backdated up to 13 weeks, you will remain liable for payment of Class 2 contributions for any period of low earnings not covered by the certificate. We may decide not to insist on the payment of Class 2 contributions that were due before the start of the certificate if your self-employed earnings were below the exception limit for the year (6 April to 5 April) concerned. We will let you know if this applies to you.

If you make a renewal application and your earnings are still low enough you will be sent a new certificate.

Getting a refund

It is possible to get a refund of Class 2 contributions paid during a period of small earnings, although you may not have applied to be excepted from liability at the proper time. For example, if your net self-employed income (that is your profit after deducting expenses) earned in the period 6 April 2008 to 5 April 2009 was less than £4,825. You should consider the effect on future benefit entitlement before applying for a refund of Class 2 contributions.

How to apply

If you think you are entitled to a refund, **you** not your agent, need to send us:

- a signed letter stating that you want a refund, and
- proof of earnings for the relevant tax year, for example
 - business receipts
 - profit and loss accounts
 - some other form of evidence that shows your income.

Form CF10 which is attached to this form, is **not** an application for a refund.

Do not delay writing to us as proof can be sent later.

The address to write to is:

HM Revenue & Customs
National Insurance Contributions Office
Self Employment Services
Benton Park View
Newcastle upon Tyne
NE98 1ZZ.

Time limits

There are strict time limits for refunds.

You must apply no later than the 31 January following the end of the tax year (6 April to 5 April) in question.

For example, a refund of Class 2 contributions paid for the period 6 April 2008 to 5 April 2009 must be claimed after 5 April 2009 **but before 31 January 2010**.

If you are employed and self-employed

The law requires that you meet all National Insurance liabilities as an employee in all of your employments and as a self-employed person.

If you work for an employer as well as being self-employed, you may be allowed to delay paying some of your Class 2 and / or Class 4 contributions. This is called 'deferment'. You should only apply for deferment if your net self-employed earnings are expected to be **above** the small earnings exception level of £5,075.

If you expect your self-employed earnings to be less than £5,075 deferment is **not** applicable and you may qualify for Small Earnings Exception (SEE). You will need to apply for SEE. Please complete the attached application form and send it to the address given above.

To find out about deferring Class 2 and / or Class 4 contributions, please contact Deferment Services on **0845 915 7141**.

How we use your information

HM Revenue & Customs is a Data Controller under the Data Protection Act 1998. For more information go to www.hmrc.gov.uk and look for *Data Protection Act* within the *Search* facility.

15 If you work for one or more employers please give estimates for the year beginning 6 April 2009.

Gross earnings from employment*

£

Name of employer

Gross earnings from employment*

£

Name of employer

*If more than £40,040 put 'over £40,040'.
If you have more than two employers please give details on a separate piece of paper and attach it to this form.

Make sure you read the following before you sign and date the Declaration at part 16.

You do not have to produce evidence of earnings to support your application unless we specifically ask for it. If we need to see evidence of your earnings, we will contact you.

In accordance with the Social Security (Contributions) Regulations 2001, regulation 44 (5)(a), HM Revenue & Customs, National Insurance Contributions Office will revoke any decision not to collect Class 2 National Insurance contributions if a false declaration of earnings has been made and / or conditions affecting this decision change. This means that HM Revenue & Customs, National Insurance Contributions Office will take any necessary action to collect arrears of contributions where appropriate.

16 Declaration

I have read the guidance and declare that the information given on this form is true and complete to the best of my knowledge and belief.

Signature

Date DD MM YYYY

Tear-off this form and send it to:
HM Revenue & Customs
National Insurance Contributions Office
Self Employment Services
Benton Park View
Newcastle upon Tyne
NE98 1ZZ.

Please keep the guidance for reference.

For official use

	From	To	Initials	Date
Application received Management inhibition set				
NIRS amended if appropriate				
SEE allowed - NIRS noted				
Waiver allowed - NIRS noted				
CA6812 issued				
Management inhibition unset				
Application rejected C2GL0013 issued				
Management inhibition unset				
SEE cancelled - NIRS noted				

Application to pay National Insurance contributions by Direct Debit

FOR OFFICIAL USE ONLY				DN			
1st request from bank	<input type="text"/>	CA5603 completed	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Start date - a Sunday	LO Serial number	
CA2347 issued	<input type="text"/>	QB started	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

1 Are you currently paying by Quarterly Bill
 Yes No
 If not, is this a new application to pay
 self-employed Class 2 contributions
 voluntary Class 3 contributions

2 National Insurance number
 Letters Numbers Letter

3 Surname and first two initials

4 Title (ie, Mr, Mrs, Miss, Ms)

5 Date of birth **1 9**

6 Address

<input type="text"/>	*
<input type="text"/>	*
<input type="text"/>	*
<input type="text"/>	*
Postcode #	

7 Daytime telephone number (including the STD code)
 STD code Telephone number

8 Your Bank/Building Society sort code
 - -

9 Your Bank or Building Society account number

10 Name(s) of account holder(s)

11 If self-employed enter 2 in this box.
 If NOT enter 3.
 If self-employed fill in parts 12 and 13.
 If NOT self-employed leave parts 12 and 13 blank
 Complete the mandate below in all cases


12 The name of your business
 *

13 The address of your business. Fill this in even if your home and business address are the same

<input type="text"/>	*
<input type="text"/>	*
<input type="text"/>	*
<input type="text"/>	*
Postcode #	/

CF351N

----- Do not detach -----

 Please fill in the whole form and send to:
 National Insurance Contributions Office
 Self Employment Services, Application Processing Centre,
 Longbenton, Newcastle upon Tyne, NE98 1ZZ

Name(s) of Account Holder(s)

Bank/Building Society account number

Branch Sort Code

Name and full postal address of your Bank or Building Society

To: The Manager	Bank/Building Society
<input type="text"/>	
Address	
<input type="text"/>	
<input type="text"/>	
	Postcode

Instruction to your Bank or Building Society to pay by Direct Debit



Originator's Identification Number

Reference Number (National Insurance Number)

Instruction to your Bank or Building Society
 Please pay The Inland Revenue National Insurance Contributions Office Direct Debits from the account detailed in this instruction subject to the safeguards assured by the Direct Debit Guarantee. I understand that this Instruction may remain with The Inland Revenue National Insurance Contributions Office and, if so, details will be passed electronically to my Bank/Building Society.

Signature(s)

Date