

registering as a sole trader (landlord)

Posted by chris challis - 2009/09/17 12:39

Hello, i have bought two properties in the last 6 months which are both renting out and have been since june 13th and june 19th. Should i have informed HMRC already that I've become a landlord?

Kind regards,

Christian

=====

Re:registering as a sole trader (landlord)

Posted by Stephen_Fay_ACA - 2009/09/27 21:36

Hi Chris,

Sorry for the delay in responding.

You only need to let HMRC know that you have another source of income by 5th October after the tax year in which the income arises. So, if your property income arose in June 2009, you must inform HMRC of this before 5th October 2010, and file the Self Assessment Tax Return that they will send out to you (by 31st January 2011).

You would register the investment income you receive. DO NOT register as a sole trader as property investment is not a trade for income tax purposes. If you were to register as a sole trader, you would be liable for National Insurance as well as Income Tax.

Please do drop me a line or call the office if I can help you. My firm specialises in all aspects of property tax.

Cheers
Steve

Stephen Fay ACA
Fylde Tax Accountants
Tel: 01253 350 123
Email: stephenfay@fyldetaxaccountants.co.uk
Web: fyldetaxaccountants.co.uk

=====