

# What's best for you?

## Umbrella Company



# VS

## Limited Company



Provides employment benefits but less tax efficient than a Limited Company.

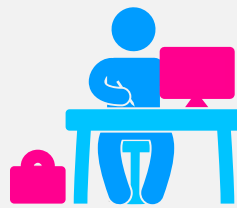
### Earning potential



Most tax efficient option for contractors - you get more in your pocket.

Little admin to do, you simply submit your timesheets.

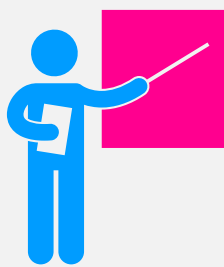
### Paperwork / Admin



You are responsible for making sure your paperwork is in order and your accounts are submitted. An accountant can help you with this.

Agency pays the Umbrella company and the Umbrella company, your employer, pays you.

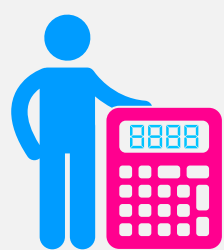
### How does it work?



You are responsible for invoicing and managing the company bank account. The agency pays your company direct. An accountant can help with your company bookkeeping.

Employed levels of tax and NI is calculated and paid.

### How is Tax calculated?



You are free to choose your mix of salary and dividends.

### An Umbrella company could be best if you...

- Want one employer whilst you are contracting
- Want access to a pension plan
- Want to build up an employment record for the purpose of mortgage applications
- Want the benefit of continuous employment, without setting up a Limited company.

### A Limited company could be best if you...

- Tend to work on multiple projects or are a long term contractor with a number of contracts
- Want to work in the most tax-efficient way possible
- Fall outside IR35
- Want complete control of your company and finances.

For more information on how PayStream can help call,  
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