

HMRC Tax Calculation and Tax Year Overview Requirement for Leeds Building Society

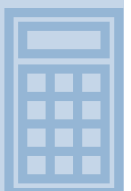


If you have a self-employed client applying for a mortgage with us we can verify their income in two ways:

- Using their tax calculations from HMRC - When you submit a client's application we will require an SA302 Tax Calculation and Tax Year Overview documents
- Using an accountants certificate – This is an easy way to use the most up to date figures, as long as the fully finalised figures exist, they don't need to have been submitted to HMRC

Using Leeds Building Society and how we can help

- We understand profits can fluctuate and our underwriters can consider business that is both sustainable and profitable
- Debts paid for by the borrowers business, but showing on personal credit, can be ignored so long as the accountant is able to confirm that the repayment comes out of business profits before the client draws their income
- An average of the last three years income is used to measure affordability and determine our lending appetite. Where three years income cannot be provided (due to the age of a business) we can consider lending based on affordability over 2 years average income
- We look to support self-employed applicants where there is a variance in net profit (provided there is a stable / increasing trend)
- There is no minimum earnings requirement for self-employed clients because we base our lending on affordability
- SA302s Tax Calculations can be used with sole traders/partners as long as it is provided alongside a Tax Year Overview
- A simple accountant's certificate form can be used to support income proof and can be [downloaded](#) from our dedicated Intermediary website



This information is for use by FCA authorised intermediaries only and must not be distributed to potential borrowers.