



# A guide to becoming a Full Time Blogger

**Premierline**

BUSINESS INSURANCE BROKER

By [Premierline](#)

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# About this guide

Are you considering making the leap into the world of full time blogging?

Many bloggers begin as a hobby and this develops into a full time career. Making this jump can be daunting and you may not know where to begin.

This downloadable guide covers the key things you need to know before making the jump; from registering with the HMRC and becoming self-employed to self-assessment, expenses and making a full time career from your blog.

## Foreword

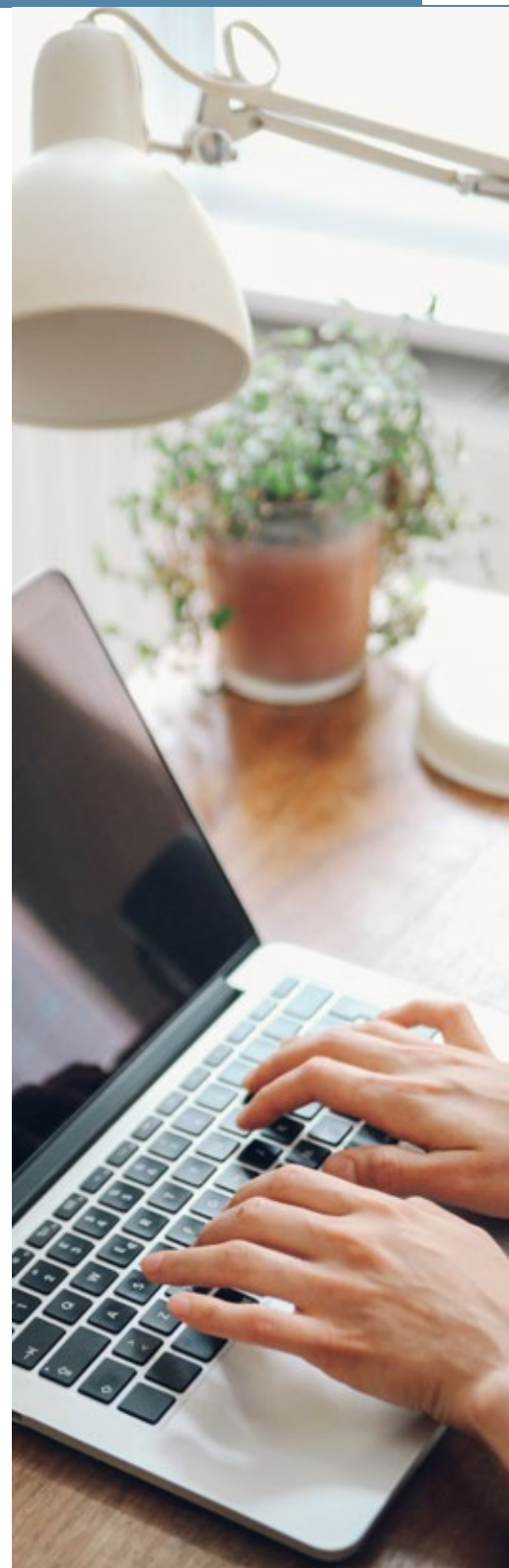
People turning passion into business is one of the defining elements of the UK's self-employment rise in recent years.

Blogging is a relatively new business prospect and like all business setups, it requires knowledge and time to set up correctly. Fortunately, these days setting up a blog is easier than ever, but there are a multitude of things that you need to consider before you decide to blog as a business.

This guide provides information to support bloggers with some of the more common decisions and considerations that you would need to take into account before setting up a blog as a business. It is designed to give you tips and hints on everything from setting up your blogging business with HMRC to information on insurance for bloggers.

Gary Skipworth

Premier BusinessCare  
Marketing Director



# Becoming self-employed



## Becoming self-employed

If you're thinking of turning your blogging into your full time job and becoming a professional blogger, then you will need to consider the fact that you will have to become self-employed. Unlike being employed, self-employment means that you are responsible for paying your own taxes and National Insurance contributions (NICs).

If you are self-employed (also known as a sole trader) you will need to register and enlist your business with HMRC. As a sole owner you are entirely responsible for the business (even if you have employees) as well as business liabilities as there is no legal difference between you and your blog/ business.

We've highlighted some of the advantages and disadvantages of becoming self-employed below:

Advantages of setting up as self-employed	Disadvantages of setting up as self-employed
Setting up as a sole trader is quick and easy and can be done online in minutes, and is generally more affordable to start up with no cost for enlisting your blog	There is no legal difference between a sole trader and their blogging business – this means that sole traders possess all responsibilities for business debts and claims
It is not necessary to register you and your blog's company details at Companies House	All taxable income of the sole trader is liable for NIC and Income tax
Accounting costs are generally lower and (providing that you keep records of your income and outgoings) there is less onerous accounting required than with a limited company	Large companies may see sole traders as a liability and more of a risk than a limited company and may be viewed as small and less established in comparison
The control and ownership of the company is in one person's hands, making decision making and modifications to the business easier	It is unlikely to meet the requirements for both sick and maternity pay
All profit after tax belongs to the sole owner	Every decision for the company must be made by the sole owner

# Becoming self-employed

Professional Blogger, Sarah, owner of [theproseccodiaries.com](http://theproseccodiaries.com)

“It’s important to be able to assess sensibly how much money you feel you will be able to earn before giving up the day job. Realistically, you’re going to have to make sure you have enough paid work to cover your rent, bills and expenses each month through different earning revenues. Ensuring a steady income flow can involve spending your week pitching for blog work, attending meetings, and networking both online and in-person. It may be that you spend 50% of the working week doing these tasks, along with going to events and press previews. The remainder will involve the actual writing and editing imagery. Once your income has been looked at realistically and you feel confident, it’s time to make the move into full time blogging!”

## How and when do I need to register as self-employed?

If you run a blog or vlog that you are making money from, or planning to make money from, you need to register yourself as self-employed. It doesn’t make any difference as to when you get the work, if you are actively seeking jobs to bring in money (even if you are still employed), you will need to register.

Anyone who becomes self-employed must register for income tax and National Insurance contributions with HM Revenue and Customs (HMRC). This can be done online, by phone or via the post, however, registering online is the fastest and easiest option. You will need to provide the following:

- Your name
- Address
- National Insurance Number
- Date of birth
- Telephone number
- Nature of your business
- Start date of self-employment
- Business address
- Business telephone number
- Your Unique Tax Reference (this only applies if you have been self-employed before)



# Becoming self-employed



## Going self-employed for the first time with no previous tax return

If you've never previously filled out a tax return, you should register your new business online with [HMRC](#). This will register you for Self-Assessment tax and Class 2 National Insurance at the same time. If you need help filling out your forms, you can call the HMRC [newly self-employed helpline](#).

## Going self-employed for the first time with a previous tax return

If you've previously filled out a tax return in an individual capacity (for example if you have received an income which isn't taxed such as rent or investment income) you will need to use the [CWF1 form](#) to register as self-employed and for Class 2 National Insurance

## Registered as self-employed previously

If you have been registered as self-employed in the past and are looking to re-register, you would need to fill out the [CWF1 form](#).

### NOTES

You should also bear in mind that you must have registered yourself as self-employed within three months of setting up your business.

If you need help you should speak to a professional.

# What taxes do bloggers pay?

## Self-assessment

Once you are registered as self-employed, you become a self-assessment tax payer, which means that you'll have to [fill in a tax return](#) each year. Anything you earn from your blog needs to be taxed. Whether it is a sponsored post, advertising income or a mention on social media, if you're getting paid, you need to be registered as self-employed and the taxman needs to know about the amount you are making from your blog or vlog.

When registered as self-employed, you should receive a request once a year (April) from HMRC to ask you to complete a [paper tax return](#) or to make an online tax return via your [Government Gateway](#) account. Unlike being employed, you will be responsible for accounting for and detailing your blog's earnings and expenses in your yearly tax return.

The government will calculate if you owe any money based on what you have declared and will send you a bill for your outstanding tax payment.

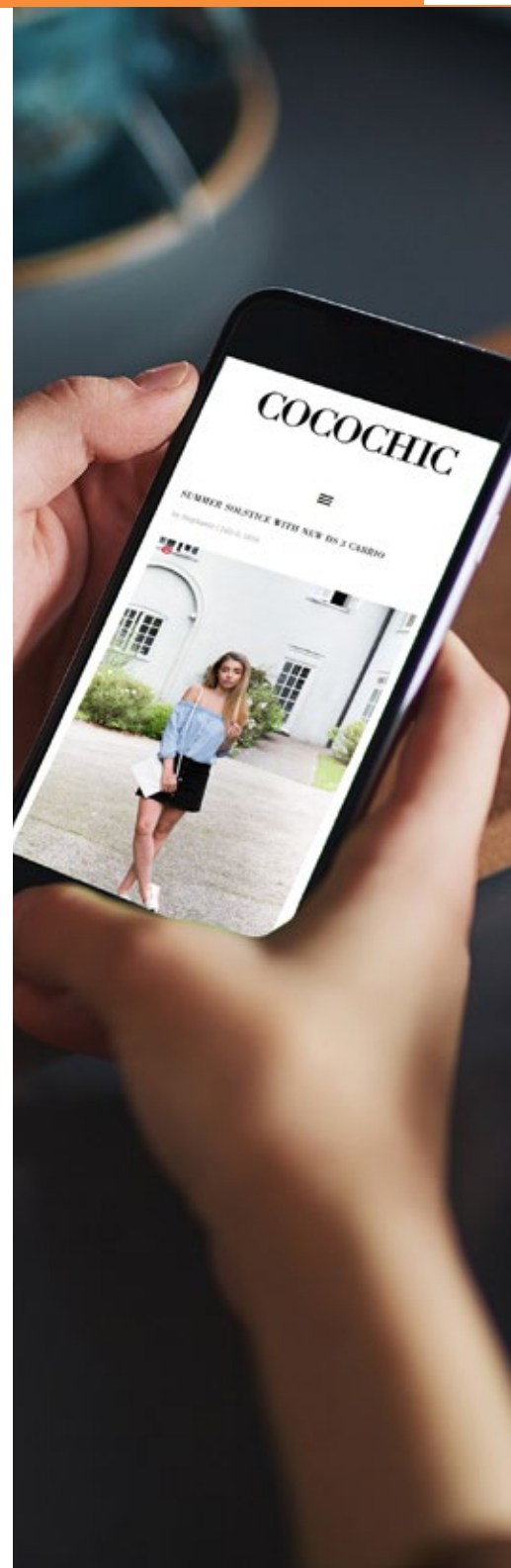
## Declaring bloggers income

Bloggers income can be anything from actual monetary gain, to the products you get given as a form of payment (for example if you get given a pair of shoes to post an article about on your blog). You should declare any money you receive, including selling samples and promotional materials that you may feature in a blog. For example, if you received a dress or shoes as a PR sample and you decided to sell them online, you need to declare the amount of money you sold them for.

Professional Blogger, Steph, owner of [coco chic blog.co.uk](#)

"This is the time that you'll need to get hold of all your bank statements and receipts so that you can add up your blogs earnings over the past year. All you need to do is add up what you've earned and essentially subtract any business expenses that could be exempt from tax."

Keep a copy of invoices and evidence of expenses (bus and train tickets, web hosting invoices, payments for sponsored posts etc). Keeping track of all expense receipts and being organised is really important because if you miss the tax return filing you could incur penalties.



# What taxes do bloggers pay?



## What kind of income is classed as taxable?

Here are a few common types of taxable income you may get from your blog:

- Advertising income
- Sponsored posts
- Affiliate sales – where you get a % for sales made through a link from your blog
- Payments in Kind – for example if you are given a product in exchange for an advertisement on your blog. For this you should record a fair market value, this could be the lower of either the usual rate you charge for an advertisement on your blog or the market value of the product you received

## Here are some of the things which aren't taxable:

- Any goody bags you receive from PR events, if you are not expected to do anything in return for them then they can be classed as a gift
- Being entertained by other companies – as long as there are no terms or conditions to being entertained then you will not have to pay tax relating to this
- Items received for review – this is a grey area. As long as you are posting your personal opinion on the product and are planning to keep it/use it for yourself then you do not have to pay tax.

# What taxes do bloggers pay?

## Income Tax

Income tax is the tax that you pay on your earnings from your blog and is calculated in Tax Bands depending on how much you make per year from your blog.

You are entitled to deduct certain expenses and costs (e.g travel expenses) from running your blog from your total yearly income.

### NOTE

The HMRC website has a [detailed list](#) of everything you can count as expenses to calculate your income tax bill.

## National Insurance

Depending on the amount that you earn, you will likely pay both Class 2 and Class 4 National Insurance Contributions.

Class 2 NI Contributions are a fixed weekly amount of £2.80 (2016) assuming that you are earning over £5,959 per year from your blog. If you are earning less than the Small Profit Threshold of £5,965 per year, then you won't need to pay any tax or claim exemption in advance. National Insurance Contribution payments are made through your self-assessment each year.

Class 4 National Insurance Contributions is a tax paid on your profit and is calculated as below:

Profit Band (Total Earnings)	Class 4 NI Contribution
Up to £8,060	0% tax
£8,060 up to £42,385	9% tax
Over £42,385	2% tax

### NOTE

In the March 2016 Budget, George Osborne announced the abolition of the Class 2 NICs payments. This will take effect as of April 2018.

## Value Added Tax (VAT)

Your accountant will be able to advise on when your business should become VAT registered.



# Business bank accounts

## Do I need a business bank account?

For anyone who is self-employed, there is no legal requirement to open a business account for your blog. However, whilst it may be tempting to set up without looking at the need for a dedicated business bank account, as you begin to bring in work and money it is important to separate your business finances from your personal day-to-day living.

There are a number of things you should consider before using your personal bank account for business transactions and records, your business bank advisor will be able to provide you with more information. Some of the things to consider are:

- Terms and conditions of your personal account may not allow for business use
- If you are trading under a business/ blog name rather than your own name, any cheques made out to your business name may not be accepted
- If you want to receive business related payments by credit card or debit card, it is unlikely that this will be accepted for a personal account
- Bookkeeping is made easier if all business transactions are grouped together, it saves having to pay an accountant to filter out your personal spends
- Money can be left in the account to pay taxes, reducing the risk of that money being spent elsewhere



# Business bank accounts



## How to set up a business bank account

Business banking is different from personal banking, so the bank that you hold a personal account with may not be suitable for your business banking. You will need to speak to a variety of banks to find out what they can offer you and if it suits your blog and the way that you plan to run it.

### What information do I need to provide?

In common with a personal account, to set up an account for your business, you will need proof of identity such as a passport or driving licence. You will also need to provide proof of address, for example a bank statement, utility bill or council tax statement.

You will also need to provide some details about your business including the name, address and nature of the business. Some banks will ask for details of when your company was incorporated, what your projected turnover is, your financial forecast and any potential funding requirements. You may be asked for a business plan which the bank may hold on file.

You'd need to check with your bank about what they require to set up your business bank account.

# Business bank accounts

## How to set up a PayPal business account

Being based online, you may decide that you want to offer PayPal facilities within your blog. There are a few things that you will need to have before you can set up a business account with PayPal:

- **Email**  
You will need a unique email to use with your business account. Note that it should not be an email address that is already linked to a PayPal account.
- **Business Name**  
You will need to list your business/blog name on the account, so if you're just starting out then you need to make sure that you know what blog name you want on the account
- **National Insurance Number**  
You will need to input your National Insurance number for tax purposes
- **Address**  
You will need a physical address – please note that PO Box addresses are not permitted
- **Category**  
You will need to choose a category that your business falls under
- **Business Bank Account**  
You will need to input your business bank account details, so make sure you have an account set up before you decide to sign up to a PayPal account

Once you have finished registering for a business account, PayPal will send you a verification email to log in to your account, you will then need to input your business bank account details.

PayPal will enter a small deposit into your bank account, once you can see these transactions, you can finalise your account set up. PayPal will email you to tell you when your new account set up is complete.



# Managing your income and expenses



## Expenses

### Allowable Expenses

Expenses are typically anything that is 'wholly and exclusively' incurred for the purpose of the business – in this case, blogging. There are a number of things that you can class as a business expense, these could include:

- Any conference tickets and appropriate travel
- A hotel and meal for overnight business stays
- If you have an office at home
- A proportion of your phone bills – if you don't have a work phone, you would need to work out what percentage of your phone is used for business compared to personal use

Professional craft blogger, Hillary, owner of [ukcraftblog.com](http://ukcraftblog.com)

"Materials, stationery and equipment may seem obvious, but crafters often forget items which fall between personal and business. They'll declare their new sewing machine or pottery wheel, but forget using their dental floss as bead wire, their personal computer to manage their business, or the household oven to bake Fimo. You can claim back for rent and rates on a studio, but if you work from home you can also claim for the percentage you use for your business in terms of rent/mortgage, gas, electricity, water and general maintenance"

### Expenses which are not tax deductible

There are some expenses which are not tax deductible. You may need to look out for things like:

- Childcare – even if you have to pay for childcare in order to attend a conference, this is not an allowable expense for your blog
- Entertaining (e.g. guests or clients)
- Subsistence costs, for example lunches and coffee. The exception to this is if you are staying somewhere overnight on business, you will be allowed to deduct "reasonable" expenses for meals.

Professional blogger, Steph, from [coco chicblog.co.uk](http://coco chicblog.co.uk)

"Since blogging is still a pretty new business venture, the lines of what is and what isn't an expense can be pretty blurred, so if you're uncertain at all, it's best calling HMRC directly for more information."

# Managing your income and expenses



## Managing freelance income

One of the toughest things about becoming a professional blogger is being able to manage your income effectively month on month. Not only this, but you need to make sure that your blog is really a viable and reliable source of income before you make the move to full time, professional blogging. Therefore, ideally you should start to think about your income management from the moment you decide to set up a blog.

### Build an emergency fund

In a perfect world, clients pay as regularly as you work. However most bloggers will find that payments fluctuate and can arrive later than promised. Every blogger should have an emergency fund that they only dip into when they need to cover expenses - for example if your client needs a little more time to pay or you have to make an unexpected payment.

### Separate your accounts

It is perfectly legal for anyone who is self-employed to use the same account for both personal and business expenses, however it is not always a good idea. Keeping a separate business account, even if you are only blogging occasionally on the side, makes it much easier to sort your budgets, income and taxes.

### Do your taxes throughout the year

Since you know your income is not always going to be consistent, every time you get money from your blog, you should work out the percentage that belongs to you and put to one side the percentage that belongs to the taxman. It's easy to think that tax is just another bill to be paid but ignoring it could mean a large bill and no means to pay it.

### Keep your records up to date

Make sure that you keep all records of your incomings and outgoings up to date and make sure you keep a true account of everything that has been spent or gained. Failure to keep your files updated and acquitting yourself of small expenses can lead to a bad and potentially expensive situation when it comes to filing your tax return.

### Organise your income

As a blogger, invoicing and keeping track of your money is the lifeblood of your business. For bloggers, income ebbs and flows, so you need to be prepared for quiet weeks. Make sure you budget and plan for the months ahead. Mark down when clients owe their invoices (be prepared to chase them) and what your projected amount for the month will be.

### Project your monthly income

You will have moments when the leads stop and the phone stops ringing and you may be left at a loss. Make sure you [budget and plan](#) for the coming months.

# Insurance for bloggers

Whether you run your blog as a business or a hobby, you are still exposed to the same risks. That's why you need to consider the insurance covers that would be relevant to you and your blogging activities.

## NOTE

Some insurance covers may overlap and offer a number of covers under one policy. For example; Media Liability may cover slander, libel and professional indemnity. Make sure you check this before buying a policy.

Below are some examples of blogging activities, the risks involved and what type of insurance policies you may wish to consider as a blogger. Covers can usually be purchased in simple packages - you should speak to your broker or insurance providers to ensure you have suitable cover for your blogging activities.

Activity	Risk	Cover to consider
Posting a personal opinion or review about a person, company or entity	Defaming someone/damaging an individual's or company's reputation (if personal loss can be proven as a result of your post)	Professional Indemnity Defamation including Libel & Slader Civil Liability
Publishing content from another source	Liability for infringement of intellectual property/ breach of copyright/ Plagiarism if the content has not been accredited correctly or has terms and conditions attached to its reproduction	Professional Indemnity Breach of confidence Defamation including Libel & Slander Infringement of intellectual property rights Misuse of any information
Making a comparison or comment about a competitor on your blog	Liability for defamation if the comment is considered unfair	Professional Indemnity Defamation including Libel & Slander Negligent misstatement or misrepresentation
Storing and keeping personal data	In the event of a security breach, you may be libel liable for loss or theft of data due to unauthorised transmission of a computer virus	Professional Indemnity Public Liability Additional Computer Cover Cyber Liability
Hosting an event based around your blog	Potential for someone to hurt themselves as result	Public Liability Insurance Event including Cancellation Insurance
Taking equipment from your office to an event or meeting	Damage or loss of your equipment such as laptops, smartphone etc could mean downtime for your blogging business	You may already have cover under your home contents insurance but this may not cover you for business related losses. You could consider Specified All Risks cover for items used for business away from your home.
Travelling to meetings or events	Personal injury as a result of travelling which may mean you are unable to work	Business Travel insurance Personal Accident Cover

[Premier BusinessCare](#) can provide you with professional insurance advice over the telephone on 0333 320 6009



## All Time Top 5 Blogging Tips

Professional blogger Hannah, owner of [talentedladiesclub.com](http://talentedladiesclub.com) has put together her all-time top 5 blogging rules to remember and help you sustain a career as a professional blogger:

- 1 Don't try to be someone you are not**

This is a mistake many people make, particularly in the world of blogging. They see someone who has developed a successful blog and, either through admiration or envy, attempt to copy their voice or style themselves.
- 2 Don't underestimate yourself**

Following on from the first point, never underestimate yourself or what you are capable of. Believe in your plans and your ideas. If you don't believe in yourself, how will you ever convince anyone else to?
- 3 Don't see failure as a negative**

Treat everything you do as part of your learning curve. It isn't just the things that go right that can teach us lessons. Sometimes the most valuable ones come from the mistakes we make and the things which just didn't work out.
- 4 Don't be too proud to ask for help or advice**

Nobody in the world knows everything – not even you. You might be confident enough in one field, but lacking expertise in another. So don't be afraid to ask for help or advice from those who have been there and done that before you. Having someone to turn to, to bounce ideas off, to glean advice from or just for that all-important nod of encouragement could make all the difference to delivering success yourself.
- 5 Don't be a dead fish**

The most successful people have often done something new and different, often in the face of adversity and lack of support, in order to break the mould. Don't be afraid to go against the majority, and to walk to the beat of your own drum. After all, only dead fish go with the flow!

# Blogging tips

## Achieving a good work/life balance as a professional blogger

It's easy to blur the lines between home and work when you're running your own blog as a business but it's important to ensure that you keep the two separate for a healthy work/life balance.

Although it can be tempting to log in and start blogging whilst you're sat at home, merging your work life and home life can have damaging effects to both you and your blog. You should consider having a designated work space, be that an office at home, a rented desk in a [co-working space](#) or your own office.

Professional Blogger Melissa, owner of [mediamarmalade.com](#) has shared advice on setting up an effective working environment at home.

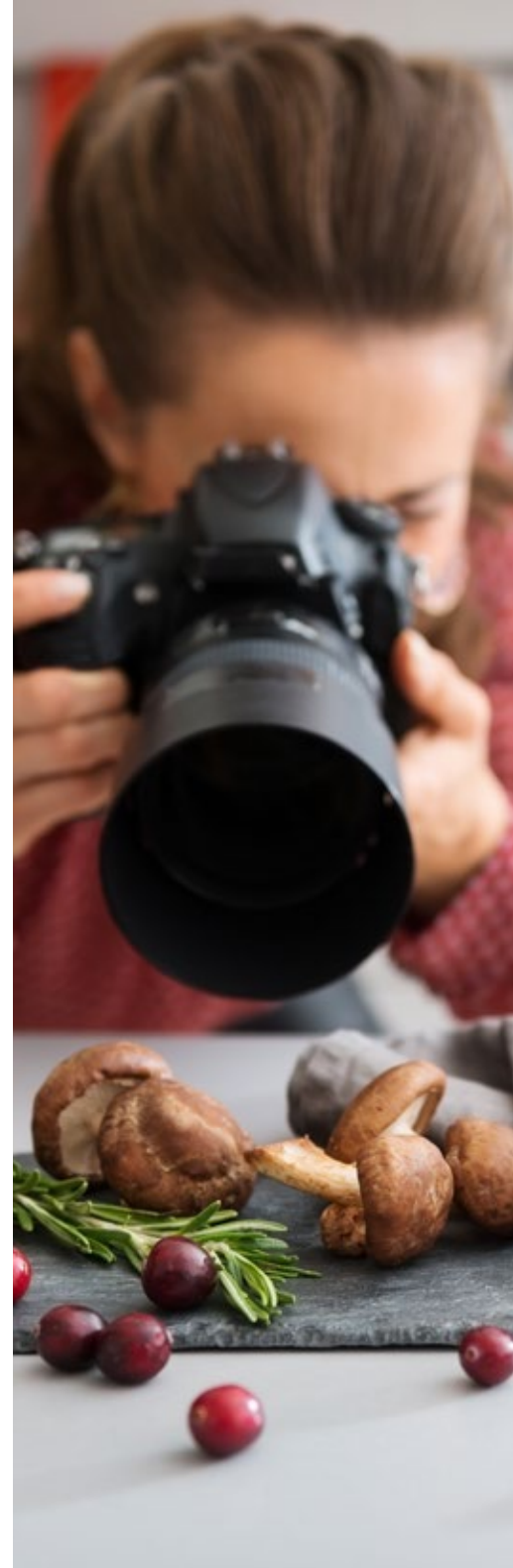
Nowadays blogging has become such a big part of our lives that blogging from the bed is no longer feasible. A dedicated blogging space is something that bloggers are longing for, with needing to keep up with the demands that blogging entails. Not all of us have the luxury of a dedicated office, or a home office to work from. Here are a few things to consider when creating your home blogger space:

### Invest in technology

Investing in the right technology kit is the best place to start. It can be expensive, but it doesn't mean you have to invest in the nicest Apple Mac or Mac Book Pro. However, I'm always one for ensuring that whenever I'm investing in a new piece of kit I really do push myself to buy the best that I can afford, because once you invest it should last 10 or so years. For blogging I end up editing and storing a ton of pictures all in raw, so memory and speed is essential for me.

Professional lifestyle blogger, Corrine, owner of [skinnedcartree.com](#)

"There are so many cameras out there, and figuring out which is going to be the best for you and your blog might be hard work. You might be stuck between what's convenient to carry around, and what's actually going to be the best for quality. The choice is between Bridge, Compact, DSLR, Compact and Phone Cameras. In my blogging experience, honestly, I'd recommend a DSLR camera to anyone wanting to take their blog photos up a level. What DSLR's are most known for, is the ability to change lenses to suit your needs. For blogging, this means you can get a 50mm lens that gives that lovely blurred background that we like when shooting product photos."



# Blogging tips



## Create a dedicated space

I personally only actually created my 'blog office' earlier this year when I bought my new PC (before that I'd sit on my laptop on my lap or at a small desk we had). But now I've created a dedicated area in my lounge which has a big Scandi-style desk (a bargain from Ikea), lighting, all my work & books and of course my PC. I've got a shearling covered chair which now sits permanently at my desk, so for all intents and purposes it's like a little office in the corner of my lounge.

## Stationery

I am a stationery obsessive, so having my own working space has always been the perfect excuse to stock up on pens, pretty notepads, desk notepads and of course all the other 'essentials'. I always like to carry a notepad in my bag for moments of inspiration (having a notebook you actually love helps!), but now I have my own desk I've upped the ante a little and expanded my stationary collection. I've now got a weekly desk planner which is great for jotting down all my ideas and plan my blog schedule, as well as of course plenty of pens and colouring pencils just in case.

## Inspiration

Being inspired is so important in helping you develop good work, creative ideas and new original content, for bloggers and content producers, inspiration is absolutely critical (hell we spend most our time browsing Pinterest and Instagram getting inspired). Inspiration could come from anything really, but for me surrounding my working space with books (this means having all my favourite fashion, street style, foodie and photography books on my desk), gorgeous smelling candles, decor pieces I love (photo frames, pretty mugs & statement pieces), pretty stationery, as well as my walls filled with inspiring prints & pictures is essential. My desk has sufficient space to work, but is truly packed with all my favourite inspirations.

# Thank you to our contributors:

We would like to thank our contributors for providing us with their advice and comments:

## **Steph**

Owner of [www.cocochicblog.co.uk](http://www.cocochicblog.co.uk)

Fashion and lifestyle blog

## **Corrine**

Owner of [www.skinnedcartree.com](http://www.skinnedcartree.com)

Fashion, fitness and lifestyle blog

## **Hannah**

Owner of [www.talentedladiesclub.com](http://www.talentedladiesclub.com)

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## **Hillary**

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