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Our ref 1167-15

Dear Michael O'Connor

Freedom of Information Act 2000

Thank you for your request dated 2nd February 2015, in which you asked:

"I have been looking at table 3.10 in the latest Personal Incomes Statistics release for 2012-2013 which shows for bands of income from self-employment average amounts of other sources of income.

Please provide these data broken down in such a way as to identify the number of people by band of self-employment income separately according to the types of other income sources (if any) that they have and the mean amounts of these income sources.

This would result in a number of smaller tables similar to table 3.10 showing the number of people by self-employment income bands who have:

- *No other source of income.*
- *Only employment income as another source of income (and mean amount of that income by band of self-employment income).*
- *Only pension income as another source of income (and mean amount of that income by band of self-employment income).*
- *Only property, interest, dividend and other income as another source of income (and mean amount of that income by band of self-employment income).*

- *Only pension income and employment income as other sources of income (and mean amount of those income sources by band of self-employment income).*
- *Only pension income and property, interest, dividend and other income as other sources of income (and mean amount of those income sources by band of self-employment income).*
- *Only employment income and property, interest, dividend and other income as other sources of income (and mean amount of those income sources by band of self-employment income).*

As this is simply a different arrangement of the data underlying table 3.10 I would not expect there to be any issue with the statutory cost limit.”

I am answering under the terms of the Freedom of Information Act 2000 (FOIA).

The data you request, on taxpayers with self employment and other types of income, is presented in the tables below. The total income amounts are presented in millions of pounds, rounded to 3 significant figures.

Some values have been suppressed due to being based on a small sample size. Our statutory duty of confidentiality does not allow us to release anything which could identify a taxpayer (be that an individual or company) or allow their identity to be deduced, the following conventions are used in the tables in this document:

Symbol	Definition
..	Not available, due to small sample size
-	Negligible
.	Not applicable

This information therefore falls under the exemption in section 44(1)(a) FOIA which allows a public authority to withhold information which is itself prohibited from disclosure by some enactment.

HMRC has a duty of confidentiality in section 18(1) Commissioners for Revenue and Customs 2005 (CRCA) which says we may not disclose information held for a function of HMRC; the information is held for our function to assess direct taxes.

Where information covered by section 18(1) relates to an identifiable person, which includes companies, section 23(1) CRCA applies section 44(1)(a) FOIA. The attached Appendix sets out in more detail how the exemption applies.

Estimates are based on the Survey of Personal Incomes for 2012-13, an annual sample survey of records held by HMRC for people who could be liable to UK income tax. For more information about the SPI please see the link below:

<https://www.gov.uk/government/collections/personal-incomes-statistics>

Income of individuals with self employment sources, 2012-13

By range of self employment income and source

Self employment only

Numbers: thousands; Amounts: £ million

Range of self employment income (lower limit)	Self employment income		Employment income		Pension income		Property, interest, dividend and other income		Total income		Mean total income	Self employment as a percentage of total	
	£	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals			Amount
0		194	-							194	-	-	100
1		50	12							50	12	244	100
500		51	38							51	38	744	100
1,000		91	135							91	135	1,490	100
2,000		100	250							100	250	2,490	100
3,000		104	363							104	363	3,470	100
4,000		128	579							128	579	4,520	100
5,000		366	2,320							366	2,320	6,340	100
7,500		402	3,420							402	3,420	8,520	100
10,000		361	4,410							361	4,410	12,200	100
15,000		225	3,900							225	3,900	17,300	100
20,000		217	5,240							217	5,240	24,100	100
30,000		101	3,730							101	3,730	37,100	100
50,000		28	1,870							28	1,870	66,900	100
100,000		9	1,680							9	1,680	184,000	100
All ranges		2,430	28,000							2,430	28,000	11,500	100

Income of individuals with self employment sources, 2012-13

By range of self employment income and source

Self employment and other employment

Numbers: thousands; Amounts: £ million

Range of self employment income (lower limit)	Self employment income		Employment income		Pension income		Property, interest, dividend and other income		Total income		Mean total income	Self employment as a percentage of total	
	£	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals			Amount
0		192	-	192	3,860					192	3,860	20,100	0
1		75	17	75	1,180					75	1,190	15,800	2
500		57	42	57	829					57	870	15,400	5
1,000		87	128	87	1,210					87	1,340	15,400	10
2,000		65	161	65	758					65	919	14,200	18
3,000		53	187	53	552					53	739	13,800	25
4,000		45	204	45	497					45	701	15,500	29
5,000		87	538	87	840					87	1,380	15,800	39
7,500		51	436	51	466					51	902	17,800	48
10,000		54	660	54	539					54	1,200	22,000	55
15,000		26	449	26	308					26	757	28,900	59
20,000		19	467	19	300					19	768	39,500	61
30,000		9	342	9	211					9	553	60,100	62
50,000		5	324	5	174					5	498	105,000	65
100,000		2	415	2	151					2	566	281,000	73
All ranges		829	4,370	829	11,900					829	16,200	19,600	27

Income of individuals with self employment sources, 2012-13

By range of self employment income and source

Self employment and pension

Numbers: thousands; Amounts: £ million

Range of self employment income (lower limit)	Self employment income		Employment income		Pension income		Property, interest, dividend and other income		Total income		Mean total income	Self employment as a percentage of total
	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount		
	£										£	%
0	46	-			46	466			46	466	10,100	0
1	13	3			13	132			13	135	10,300	2
500	9	7			9	82			9	89	9,570	8
1,000	21	31			21	178			21	209	10,100	15
2,000	19	48			19	159			19	206	10,900	23
3,000	18	62			18	125			18	187	10,500	33
4,000	16	70			16	109			16	179	11,500	39
5,000	35	213			35	230			35	443	12,800	48
7,500	23	200			23	148			23	348	15,100	57
10,000	25	298			25	165			25	463	18,900	64
15,000	12	206			12	81			12	287	24,100	72
20,000	12	293			12	83			12	375	30,900	78
30,000	7	258			7	50			7	309	44,900	84
50,000	..	..			..	..			..	..	..	..
100,000	..	..			..	..			..	..	..	..
All ranges	257	1,880			257	2,040			257	3,920	15,200	48

Income of individuals with self employment sources, 2012-13

By range of self employment income and source

Self employment and property, interest, dividend, & other

Numbers: thousands; Amounts: £ million

Range of self employment income (lower limit)	Self employment income		Employment income		Pension income		Property, interest, dividend and other income		Total income		Mean total income	Self employment as a percentage of total
	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount		
	£										£	%
0	70	-					70	859	70	859	12,200	0
1	12	3					12	76	12	79	6,470	4
500	11	8					11	68	11	76	6,670	11
1,000	21	31					21	120	21	151	7,210	21
2,000	23	56					23	114	23	170	7,390	33
3,000	23	82					23	95	23	177	7,570	46
4,000	25	113					25	89	25	203	8,090	56
5,000	68	428					68	239	68	666	9,800	64
7,500	71	612					71	212	71	824	11,500	74
10,000	88	1,080					88	261	88	1,340	15,300	81
15,000	64	1,110					64	205	64	1,320	20,600	85
20,000	80	1,960					80	256	80	2,220	27,600	89
30,000	67	2,540					67	241	67	2,790	41,800	91
50,000	43	3,010					43	215	43	3,220	75,700	93
100,000	41	10,300					41	424	41	10,700	265,000	96
All ranges	708	21,400					708	3,470	708	24,800	35,100	86

Income of individuals with self employment sources, 2012-13

By range of self employment income and source

Self employment, other employment, and pension

Numbers: thousands; Amounts: £ million

Range of self employment income (lower limit)	Self employment income		Employment income		Pension income		Property, interest, dividend and other income		Total income		Mean total income	Self employment as a percentage of total
	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount		
	£										£	%
0	18	-	18	304	18	145			18	449	24,300	0
1	6	2	6	63	6	51			6	116	18,100	1
500	4	3	4	35	4	29			4	67	17,700	4
1,000	7	11	7	62	7	52			7	125	17,300	9
2,000	6	14	6	43	6	41			6	98	17,500	14
3,000	4	14	4	24	4	26			4	64	16,200	22
4,000	4	16	4	25	4	28			4	69	19,000	24
5,000	6	34	6	36	6	31			6	101	18,200	34
7,500	5	45	5	26	5	44			5	116	22,100	39
10,000	5	61	5	39	5	46			5	146	29,300	42
15,000	2	41	2	10	2	15			2	67	27,900	61
20,000	2	54	2	14	2	17			2	85	37,600	64
30,000	2	56	2	12	2	16			2	84	55,800	67
50,000	..	..	..	..	..	..			..	..	..	..
100,000	..	..	..	..	..	..			..	..	..	..
All ranges	72	409	72	700	72	553			72	1,660	23,200	25

Income of individuals with self employment sources, 2012-13

By range of self employment income and source

Self employment, pension, and property, interest, dividend & other

Numbers: thousands; Amounts: £ million

Range of self employment income (lower limit)	Self employment income		Employment income		Pension income		Property, interest, dividend and other income		Total income		Mean total income	Self employment as a percentage of total
	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount		
	£										£	%
0	70	-			70	969	70	622	70	1,590	22,700	0
1	20	5			20	278	20	97	20	381	19,000	1
500	16	12			16	196	16	63	16	271	17,000	4
1,000	26	38			26	318	26	94	26	451	17,300	9
2,000	24	58			24	272	24	77	24	407	17,200	14
3,000	17	58			17	186	17	56	17	300	18,100	19
4,000	17	77			17	186	17	57	17	321	18,800	24
5,000	31	192			31	332	31	94	31	618	19,700	31
7,500	23	205			23	244	23	86	23	535	22,800	38
10,000	29	357			29	319	29	102	29	777	26,600	46
15,000	19	336			19	204	19	75	19	616	32,000	55
20,000	21	501			21	225	21	86	21	812	38,900	62
30,000	15	581			15	196	15	94	15	872	56,700	67
50,000	8	539			8	143	8	111	8	793	103,000	68
100,000	4	803			4	121	4	71	4	995	235,000	81
All ranges	341	3,760			341	4,190	341	1,790	341	9,740	28,600	39

Income of individuals with self employment sources, 2012-13

By range of self employment income and source

Self employment, other employment, and property, interest, dividend & other

Numbers: thousands; Amounts: £ million

Range of self employment income (lower limit)	Self employment income		Employment income		Pension income		Property, interest, dividend and other income		Total income		Mean total income	Self employment as a percentage of total	
	£	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals	Amount	No. of individuals			Amount
												£	%
0		121	-	121	5,310			121	2,250	121	7,560	62,400	0
1		37	8	37	1,090			37	231	37	1,330	36,100	1
500		27	20	27	560			27	157	27	737	27,200	3
1,000		38	56	38	828			38	241	38	1,120	29,800	5
2,000		30	75	30	601			30	161	30	836	27,500	9
3,000		26	92	26	454			26	158	26	704	26,800	13
4,000		24	107	24	370			24	145	24	622	26,000	17
5,000		48	295	48	655			48	283	48	1,230	25,900	24
7,500		38	329	38	516			38	240	38	1,080	28,300	30
10,000		51	633	51	763			51	320	51	1,720	33,400	37
15,000		35	603	35	465			35	208	35	1,280	36,500	47
20,000		43	1,060	43	623			43	458	43	2,140	49,600	49
30,000		41	1,560	41	730			41	363	41	2,660	64,700	59
50,000		32	2,280	32	984			32	320	32	3,590	111,000	64
100,000		33	10,300	33	1,210			33	774	33	12,300	378,000	84
All ranges		625	17,400	625	15,200			625	6,300	625	38,900	62,300	45

Source: Survey of Personal Incomes, 2012-13

Table updated January 2015

Notes on the table

Income of individuals with self employment sources, 2012-13

1. These tables cover rents from UK property, interest from banks, building societies and other deposit takers, UK dividends and forms of income other than profit, employment or pension. The UK dividends category comprises all income charged at the UK dividend rate. This includes dividends from shares in UK companies and unit trusts, distributions from UK authorised unit trusts and open ended investment companies, stock dividends from UK companies and non qualifying distributions written off, dividends received through a partnership or trust and dividends from abroad that are subject to UK income tax.

Other income comprises certain forms of savings income and will include, for example, interest from National Savings products, interest on securities, interest from partnerships and from trusts, settlements and estates. Generally income that is subject to tax for the year, as shown here, is the same as income due for the year but there are certain exceptions.

2. Income from which tax has been deducted at source is not always known to HMRC for cases not filing tax returns or claims forms. Estimates of missing bank and building society interest and dividends from United Kingdom companies are included in all the tables. For 2012-13, interest information submitted by interest paying institutions was used to supplement some cases. The remaining missing income is distributed, in a manner consistent with information from external survey data and the National Accounts, to individuals where there is no such income already recorded on the HMRC IT systems. The amount of income for which the distribution must be estimated is large and the potential margin of error inherent in such estimates must be kept in mind.

3. Self employment income is as defined in the 'Notes to the table T3.6 paragraph 3' in HMRCs personal incomes statistics publication (available on GOV.UK). Individuals are included in this according to whether (and how many) sets of pages covering income from trades or from partnerships were completed in the tax return. Such pages are required for all trades, and for all shares in partnerships, trading at any time in the tax year. If for any individual or source a loss is made, or the profits are completely offset by the deduction of capital allowances and/or losses brought forward from earlier years, the individual or source is included in the table but the amount of self-employment income is shown as nil.

4. Although special rules apply to businesses which have recently started or ceased trading, the general rule is that the profit assessable for 2012-13 are those earned in the business accounting periods ending in 2012-13. On average, profits assessable for 2012-13 may be regarded as profits arising in the calendar year 2012.

5. Each individual is counted only once. This table shows how many of the individuals with self-employment income in any of the given ranges also have other sources of income, and the amounts arising from these sources. Employment income consists of income assessed under the Income Tax (Earnings and Pensions) Act 2003 and other miscellaneous income.

If you are not happy with this reply you may request a review by writing to HMRC FOI Team, Room 1C/23, 100 Parliament Street London SW1A 2BQ or email foi.review@hmrc.gsi.gov.uk. You must request a review within two months of the date of this letter. It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome of an internal review, you may apply directly to the Information Commissioner for a decision. The Information Commissioner will not usually consider a case unless you have exhausted the internal review procedure provided by HMRC. He can be contacted at The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.

Yours sincerely

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Appendix

When another law prevents disclosure of information, it is exempt from disclosure because of section 44(1)(a) of the Freedom of Information Act 2000 (FOIA).

Furthermore, if confirming or denying information is held would itself reveal information which is exempt under section 44(1)(a), the duty to confirm or deny information is held does not arise; section 44(2) FOIA refers.

Section 18(1) of the Commissioners for Revenue and Customs Act 2005 (CRCA) provides that Revenue and Customs Officials may not disclose information which is held by the Revenue and Customs in connection with a function of the Revenue and Customs. The information you are seeking, if held, would be held in connection with our function to assess and collect tax.

Section 23(1) CRCA further provides that where information falling in section 18(1) relates to a "person" who is identified or who could be identified, the exemption in section 44(1)(a) FOIA applies. "Person" includes both living persons and legal entities such as companies, trusts and charities (see paragraph 110 of the explanatory notes to the CRCA).

Therefore, to engage the section 44 FOIA exemption we consider "is the information held by us for one of our functions?" and "does it relate to an identifiable person?" If the answer to both the questions is "Yes" the information is exempt from the right to information under FOIA. That applies whether the applicant is a third party, the individual, an organisation or someone acting with the individual's or organisation's permission.

Taken together, the above removes information about our customers from the right of access under FOIA.

Section 44 is an absolute exemption and therefore does not require a consideration of the public interest.