



YogaTax - Part of Whitefield Tax
Example of Tax Liabilities for a Yoga Teacher
2024-25 Tax rates (England and Wales)

Here are some examples of how tax and NI is worked out for a Yoga Teacher. The first four case studies are sole traders, the fifth a teacher working via a company:

1. Mildred - teaches yoga part time, and also works in a supermarket
2. Annabel teaches yoga full time
3. Simone teaches yoga full time and does rather well at it
4. Sally is a new teacher and makes a loss in her first year, she also works in a bank
5. Carly works as a Yoga Teacher through Carly Limited. Co-incidentally she earns the same as Simone (Case Study 3)

[You can model your own tax position with our Tax Calculator for Self Employed Yoga Teachers](#)

Case Study 1

Mildred - teaches yoga part time, and also works in a supermarket

	£ gross	£tax
Profit from Yoga Teaching	5,200	
Wages from Supermarket	15,000	486
Total income	20,200	486
Tax free allowance	12,570	
20% tax on	7,630	
Tax at 20%	1,526	
Less paid via PAYE	486	
	1,040	
Class 2 NI	-	
Class 4 NI	-	
Total due under Self Assessment	1,040	



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Case Study 2

Annabel teaches yoga full time

	£ gross	£tax
Profit from Yoga Teaching	25,000	-
Total income	25,000	-
Tax free allowance	12,570	
20% tax on	12,430	
Tax at 20%	2,486	
Less paid via PAYE	-	
	2,486	
Class 2 NI	-	
Class 4 NI	746	
Total due under Self Assessment	3,232	



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Case Study 3

Simone teaches yoga full time and does rather well at it

	£ gross	£tax
Profit from Yoga Teaching	95,000	-
Total income	95,000	-
Tax free allowance	12,570	
20% tax on	37,700	
40% tax on	44,730	
Tax at 20% and 40%	25,432	
Class 2 NI	-	
Class 4 NI	3,157	
Total due under Self Assessment	28,589	



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Case Study 4

Sally is a new teacher and makes a loss in her first year, she also works in a bank

	£ gross	£tax
Loss from Yoga Teaching	(4,000)	
Wages from Bank	30,000	3,486
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Total income	26,000	3,486
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Tax free allowance	12,570	
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20% tax on	13,430	
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Tax at 20%	2,686	
Less paid via PAYE	3,486	
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	(800)	
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Class 2 NI	-	
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Class 4 NI	-	
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Total refund due under Self Assessment	(800)	
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Case Study 5

Carly works as a Yoga Teacher through Carly Limited. Co-incidentally she earns the same as Simone (Case Study 3)

Company Taxes	£ gross	£tax
Profit from Yoga Teaching after expenses but before directors salary	95,000	-
Directors Salary	(12,000)	
Employers NI	(400)	400
Profit for Corporation Tax	<u>82,600</u>	
Corporation Tax	<u>18,139</u>	<u>18,139</u>
Total paid by company		<u>18,539</u>
Dividend (Profits less Corporation Tax)	<u>64,461</u>	
Nb Carly could leave part of the dividend in the company and defer tax		
Personal Taxes:	£ gross	£tax
Salary	12,000	
Dividend	<u>64,461</u>	
Total income	76,461	
Tax free allowance	<u>12,570</u>	
Taxed at 20% and 40%	<u>63,891</u>	
20% tax on	37,700	
40% tax on	26,191	
Tax at 20% and 40%	<u>12,094</u>	12,094
Due under Self Assessment		
Class 1 NI	<u>46</u>	<u>46</u>
Paid via company payroll under PAYE		
Total paid by Carly		<u>12,140</u>
Total Tax Company / Carly personally		<u>30,679</u>
Note - on the same figures above, Simone, a sole trader paid		
Simones tax and NI		28,589
By operating through a limited company Carly has paid extra tax of		<u>(2,091)</u>