

Should You Go Limited? The 2026 Scorecard

The April 2026 dividend rise (8.75% → 10.75% basic, 33.75% → 35.75% higher) quietly broke the old "incorporate at £50k" rule. Score yourself first:

Statement (score only if true)	Points
Profit consistently above £50,000	+2
You can LEAVE money in the business	+2
Clients require a limited company	+2
Real liability exposure in your work	+1
Plan to bring in a partner / sell one day	+1
Profit under £35,000	-2
You need every penny personally, every month	-2
You hate admin and won't pay someone	-2
Most work is inside IR35	-1

+4 or more: incorporation is worth a serious look. **0-3:** borderline — revisit in 12 months. **Below 0:** stay sole trader, and stop feeling behind.

The fact nobody's updated for: at 2026/27 rates, extracting ALL your profit from a Ltd pays LESS than staying sole trader at almost every level. The company only wins via retained profit, employer pension, or clients who demand it.

Want the actual maths? The £30 course "Sole Trader to Ltd Transition" includes the full 2026/27 break-even calculator (with the retention scenario), the 14-step incorporation plan, the new ID-verification law, and 10 templates. → thepaidhour.com