

Do I Need to Tell HMRC? A Guide for Online Sellers

Selling on Etsy, Vinted, eBay, Depop or Facebook Marketplace? This explains, in plain English, when you need to tell HMRC, the £1,000 trading allowance and what the platforms now report. Free.

General guidance, not tax advice. Rules change, so check GOV.UK or ask an accountant about your own situation.

1. Selling your own things, or trading?

Usually no tax **Selling your own things:** clearing out clothes, the loft, furniture, old phones. You usually don't pay Income Tax on this, however many items you sell.

Likely trading **Buying to resell** for a profit, or **making things to sell** (even as a hobby), or selling a service.

Selling one personal item, or a set, for over £6,000? You may need to pay Capital Gains Tax.

2. The £1,000 trading allowance

If you're trading, the first **£1,000** a tax year is tax-free. It's counted on your **sales** (before costs), not your profit. Add together all your trading: every platform, plus any services.

£1,000 or less You usually don't need to tell HMRC. Keep a record of what you earned.

Over £1,000 Register for Self Assessment by **5 October** after the tax year ends, and send a tax return. You take off **either** the £1,000 allowance **or** your real costs, whichever is better for you.

Example

You sell £1,400 of handmade cards on Etsy in the tax year. Costs were £300.

Option 1: £1,400 – £1,000 allowance = £400 taxable profit.

Option 2: £1,400 – £300 costs = £1,100 taxable profit. Option 1 is better.

The tax year runs 6 April to 5 April. 2026/27 is 6 April 2026 to 5 April 2027, so you'd register by 5 October 2027.

3. What Etsy, Vinted and eBay tell HMRC

Since **1 January 2024**, online platforms must collect details about sellers and report some of them to HMRC every January.

Not reported	Fewer than 30 sales of goods in the calendar year and less than €2,000 (about £1,700).
Reported	30 sales or more, or more than about £1,700. Services and rentals are reported whatever the amount.

- ☐ The platform may ask for my full name, address, date of birth and National Insurance number.
- ☐ Being reported does **not** mean I owe tax. The tax rules haven't changed.
- ☐ The platform must send me a copy of what it reported. It covers the **calendar year**, so I work out my figures for the **tax year** myself.

4. Your quick checklist

- ☐ I know if I'm clearing out my own things or trading.
- ☐ I've added up my trading sales across all platforms for the tax year.
- ☐ Over £1,000? I've registered for Self Assessment (by 5 October).
- ☐ I keep records: platform statements, bank statements, receipts for what I buy to sell, postage and fees.
- ☐ Not sure? I've used HMRC's online checker (search "check if you need to tell HMRC about your income from online platforms").

Free tools: Etsy, eBay and Vinted fee calculators and the side hustle tax calculator at billmyweek.com.

Doing paid work for customers too? **BillMyWeek** makes a proper invoice on your phone and emails the PDF. 14 days free, no card needed.

Try it now, no sign-up: billmyweek.com/try

Sources (GOV.UK, checked 21 Oct 2026): gov.uk/guidance/check-if-you-need-to-tell-hmrc-about-your-income-from-online-platforms · gov.uk/guidance/tax-free-allowances-on-property-and-trading-income · gov.uk/guidance/selling-goods-or-services-on-a-digital-platform · gov.uk/guidance/reporting-rules-for-digital-platforms · gov.uk/self-assessment-tax-returns/deadlines