

Compare Business Bank Accounts

Separate your personal and business finances with a dedicated business bank account

Decide what features are right for your business now. Online-only or full branch service? Pay monthly or per transaction? Upgrade or switch as your business grows

Compare deals. The cheapest business bank account isn't always the best. Take a close look at fees, what's included, and whether it integrates with your accounting software

Choose your business current account options

Start Ups

Switchers

No Credit Checks

Sort by

Featured Products

20 products found

Tide

Monthly Fee

Free

Card Purchases

Free

Bank Transfers

20p

Overdraft

Access

App/Online

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OFFER

ANNA Money £0 a month

Monthly Fee

Free

Card Purchases

Free

Bank Transfers

Free

Overdraft

App only



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6 months free No transaction or transfer charges. Use promo code WALLET1 during app set up.

[See 3 more ANNA Money products](#)



Cashplus Business Bank Account

Monthly Fee

Free

Card Purchases

Free

Bank Transfers

Free

Overdraft

Access

App/Online

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Acorn Business Account

Monthly Fee

£12.50

Card Purchases

Free

Bank Transfers

30p

Overdraft

Access

App/Online

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OFFER



TSB Business Plus Account

Monthly Fee

£5*

Card Purchases

Free

Bank Transfers

Free

Overdraft

Access

Branch, app & online



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***FREE for first 25 months** £5 monthly fee thereafter. Waived if account balance kept above £10,000.

OFFER



CountingUp Starter

Monthly Fee	Free
Card Purchases	Free
Bank Transfers	20p
Overdraft	
Access	App only

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No monthly charges or bank transfer fees for your first 3 months

[See 2 more Countingup products](#)



Mettle by NatWest

Monthly Fee	Free
Card Purchases	Free
Bank Transfers	Free
Overdraft	
Access	App only

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OFFER



HSBC Kinetic Business Current Account

Monthly Fee	£6.50*
Card Purchases	Free
Bank Transfers	Free
Overdraft	

Access

App/Online



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***No monthly account fees for the first 18 months**

OFFER



CardOneMoney Business Account

Monthly Fee	£12.50*
Card Purchases	Free
Bank Transfers	30p
Overdraft	
Access	App/Online

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***No monthly fee for the first 3 months**

OFFER



Starling Business Bank Account

Monthly Fee	Free
Card Purchases	Free
Bank Transfers	Free
Overdraft	
Access	App/Online

SEE DEAL

[+ More info](#)

Add the Business Toolkit into your Starling account and get the first month free (RRP £7pcm)



Companies: Revolut Grow

Monthly Fee	£25
Card Purchases	Free
Bank Transfers	Free
Overdraft	



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Our comparison service features a selection of providers from whom we receive commission. This table is initially ordered according to our commercial arrangements. Use the drop down menu at the top of the page to order by other criteria.

Also for Business

[Compare Business Loans](#)

[Compare Business Energy Prices](#)

[Compare Commercial Mortgages](#)



Award-winning comparisons you can trust

It's always nice to know you're on the right track. Over the years, as we have striven to improve the services we provide to our clients and users, we have been pleased to receive recognition for our efforts from both industry and consumer bodies.

Other comparisons

Business Accounts for Switchers

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Business Bank Accounts - No Credit Checks

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Business Bank Accounts for Startups

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Free Business Bank Accounts

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Online Business Bank Accounts

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How to choose a business bank account

Business current accounts have similar features to personal current accounts: you can pay in, set up payments, use a debit card, and manage your account online. Many business accounts have extra features such as invoicing, payment c

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with accounting software. A business bank account and personal bank account is that the bank (and HMRC) treat your business. This has important tax implications.

If you're a sole trader, you and your business are the same - your business income is your income so you're liable for income tax on it. But if you run a limited company, your company is legally separate from you and your company's income is taxed differently from the money you pay yourself as income or dividends. There are business current accounts available for sole traders, limited companies, partnerships, charities and other organisations, although not all providers offer accounts to all types of businesses.

Do I need a business bank account?

Whether you're a sole trader, freelance, contracting or running a limited company, you'll need to keep your finances organised. One way to make this easier is to open a separate bank account for your business.

With a business account, you'll keep work transactions separate from your personal money so it's much easier to do your accounting and tax returns. And by managing a business account, you'll build a [business credit](#) score for your business, which will be useful in future if you need to take out a loan or get a company credit card.

» **MORE:** [Your business account options and obligations](#)

How to choose a business bank account

In the past, anyone setting up a new business would have to choose between a high street bank or a private bank for their business bank account. Times have changed and although traditional banks are still popular, there are many newer options in the form of online-only '[challenger banks](#)' and apps that offer business current accounts.

With so many similar business account providers out there, it can be difficult to decide which type of account is best for your business. Do you want face-to-face service in a branch or would you prefer 24-hour access to a smart money management app? Are you happy to pay a monthly fee or would you rather open a 'free' account that only charges you for certain transactions?

You can start by using our table above to compare some of the different types of business bank accounts. With our comparison service and this simple guide to how to choose a business bank account, we'll help you narrow down your options to make a more confident decision.

High street banks vs apps and online business accounts

Would you prefer to open a business bank account at a traditional bank with branches on high streets around the UK? Or would you be happy with an online-only account?

There are advantages and disadvantages to each option. For example, some online business account providers offer useful extras such as tools to help you categorise your transactions, keep track of staff expenses and put money aside for your tax bill. However, if you want to deposit cash or cheques, or negotiate an [overdraft](#), you might find it easier with a high street bank.

With so many options available, it's important to take the time to decide what you need, use online research tools like our comparison service, and weigh up the pros and cons of the different accounts.

How to compare business account features and services

A good place to start when you're comparing business bank accounts is to decide which features and services you need from the account.

Not sure what you need? Take a look at the list below of common bank account features and services to help you create your own 'need to have' list – features which are essential for your business. And then list any other features

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to find accounts which offer the features you need.

Next, compare the charges and fees for the accounts you're interested in and decide what you're happy to pay.

To find your ideal business account, you might want to learn more about the providers. For example, some people like to check the ethics and values of their bank – you can search for this on the bank's website. And how important to you is customer service? You might want to read what existing customers have to say on review sites like Trustpilot.

Common business bank account features

- Deposits/withdrawals
- Cash withdrawals
- Bank transfers
- Standing orders
- Direct Debits
- Debit card
- Mobile app
- Online banking

Some business bank accounts also offer:

- Credit card
- Company expenses cards
- Overdraft
- Telephone banking
- Interest paid on positive balances
- Invoicing tool
- Accounting software
- Accounting software integration

Our comparison table above lists some of the account features and the eligibility criteria for each account, so it's a useful starting point for your research.

'Free' business banking: monthly fee vs pay per transaction

Business bank accounts usually come at a cost. Some have introductory 'fee-free' offers, but at some point, almost all business bank account providers will charge you for services.

They do this in two different ways - it's up to you to decide what suits you best.

Monthly or annual fee

Some business bank accounts charge a monthly or annual fee. Some transactions and services are usually included for 'free' as part of the account. You might have to pay extra for other features. If you'll need to make lots of transactions, this way of paying for your account might be more cost-effective for you.

Fee-per-transaction

This type of business account is often promoted as 'free' or 'no monthly fee'. But you'll pay for the service through fees for certain transactions such as transfers or cash withdrawals. If you don't expect to use your account much, for

example if you won't make many deposits or transfers, then this type of account could work out cheaper than paying a monthly fee.



How to open a business bank account

What you need to do to open a business bank account will vary depending on the account provider.

Many business bank accounts have strict eligibility criteria. You might need to make an appointment at a branch, and you might be asked to show evidence of your turnover or trading history, such as your annual accounts or previous tax return.

In contrast, with some account providers you can apply online and give only basic information.

To open a business account with any provider, you'll always need to show proof of your identity and give the name and UK-based address of your business.

Business bank account FAQs

Do I need a business account if I'm freelance, self-employed or a sole trader?

If you're a freelancer, self-employed or a sole trader, you could use your personal account for your business income and outgoings. But many account providers' terms and conditions state that you're not allowed to use personal accounts for business.

As well as not breaching your personal account T&Cs, using a business bank account can help make doing your accounting a breeze. It's much easier to find the information to complete your Self Assessment tax return when your income and expenses are separate from your personal transactions.

» **MORE:** [Do I need a business account if I'm self-employed?](#)

Do I need a business account for my limited company?

If you're running a limited company, you have a legal obligation to separate your business finances from your personal finances. The law doesn't say you have to open a business bank account, but it's a smart way to keep your company's finances organised and separate from your personal money.

» **MORE:** [Do I need a business bank account?](#)

What is an online-only business account?

With an online-only business bank account, you'll apply for and manage your account entirely online via your website login or the bank's app. Online-only providers offer similar services to high street banks, such as deposits, a debit card, and one-off and scheduled payments. The biggest difference between accounts with traditional, high street banks and online accounts is that online providers don't have branches. This means that some online-only providers don't accept deposits in cash and you'll typically communicate with customer services by live chat, text message, email and/or telephone.

Are online-only business bank accounts cheaper?

You might think that online-only providers would be cheaper because they don't have branches and big call centres to maintain. But online-only providers don't usually have the extra revenue high street banks earn from customers paying interest on loans and mortgages. All providers have to balance their books so you'll find that fees vary depending on the provider and what services you need for your account.

Who can open a business bank account?



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To open a business account, you'll always need to show proof of your identity and give the name and UK-based address of your business.

How long does it take to open a business bank account?

It can take anything from just 10 minutes to four weeks or more to open a business current account. It depends on the provider you apply to, and how long it takes them to complete their checks.

Can I get a free business bank account?

Some business account providers allow you to open an account for free. But make sure you take a close look at the fees and charges for services. Even if there's no monthly or annual fee, it's likely you'll pay per transaction or for any extras you need such as payment cards, an overdraft or paying in cash.

You can usually claim the fees for your business account as an expense – they count as 'financial costs'.

Can I get a business account with an overdraft?

Some business accounts come with an overdraft, but overdrafts aren't a standard feature.

To get an arranged overdraft, you'll need to meet the provider's eligibility criteria. For example, a bank might specify that your company must have been trading for a minimum amount of time and you, your business and any other directors must have a good credit history.

Although an overdraft can be a handy buffer to have on your account, check the fees and terms carefully before you start using an overdraft. There might be a cheaper way for you to borrow money.

» **MORE:** [Business accounts with overdraft](#)

Can I open a business bank account with a bad credit history?

You might find it difficult to open a traditional business bank account with a high street bank if you or your business have a poor credit score. You're also likely to come up against problems if you apply for credit facilities.

Some basic online business current accounts are available to business owners with a poor credit rating. In fact, some will allow you to [open a business account without a credit check](#). However, the features and services available to you might be limited.

Are business bank account charges tax deductible?

Yes. You can usually include bank account fees and interest charges in your expenses.

When you or your accountant are doing your accounts, charges for your business bank account, business credit card and other financial services can count as 'financial costs'. To help reduce your tax bill, it's worth keeping track of the financial costs you can claim as allowable expenses.

Can I switch my business bank account?

Switching business bank accounts isn't only possible, it's actively encouraged by the UK Government and banking industry.



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It can be tricky, you don't need to be. The [Current Account Switch Service](#) is a government-backed scheme that includes accounts for small businesses. The service encourages healthy competition in UK banking. For customers, this means lower prices, fairer terms and better service. For many business owners, the benefits of switching outweigh staying with a provider you've been with for years.

If you switch to a business bank account with a provider that isn't signed up to the Current Account Switch scheme, you'll need to make sure you give your new account details to anyone who makes transfers to you, and keep the old account open for a while for pending payments and outgoings.

» **MORE:** [How to switch your business banking](#)

About the author: *Sooze is a specialist financial services writer, working 'on the inside' to help businesses communicate clearly for over 10 years. Her work has been awarded Fairer Finance's Clear & Simple Mark. [Read more](#)*