



**Working
with external
consultants?**

Stay flexible with your workforce. Carry out an employment status review with G+E

What is IR35?

The IR35 rules were introduced to tackle perceived tax avoidance, by ensuring consultants working through their own Personal Service Company (PSC) were taxed in the same way as directly employed individuals.

Under IR35 the worker and their PSC were responsible for determining their employment status and making appropriate PAYE/NIC deductions from their income.

Due to low compliance rates, in 2017 HMRC introduced the 'Off Payroll Working' (OPW) rules in the public sector. Similar changes are being rolled out to the private sector from April 2021 (deferred due to COVID-19 from an original start date of April 2020).

Under the OPW rules, the responsibility for determining employment status moves up the chain from the worker/PSC to the end client; and responsibility for making tax deductions moves to the "fee payer".

The OPW rule changes caused a great deal of confusion when rolled out into the public sector and are expected to do so again in the private sector.

Action Needed

Businesses must take urgent action to carry out employment status audits and make appropriate changes for future engagements with consultants. With a strategic approach and sufficient planning it may be possible to maintain a flexible workforce outside of IR35.

We provide a comprehensive Employment Status Review Service, which includes:

- Identifying consultants used by your business who are affected by the April 2021 changes
- Performing a detailed review of their status, including considering both the contractual and the day-to-day working arrangements
- Preparing a report of our findings, identifying key risk areas and making recommendations for action.

**We would be happy to review your position
and provide a no obligation quote.**

Please Contact:



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