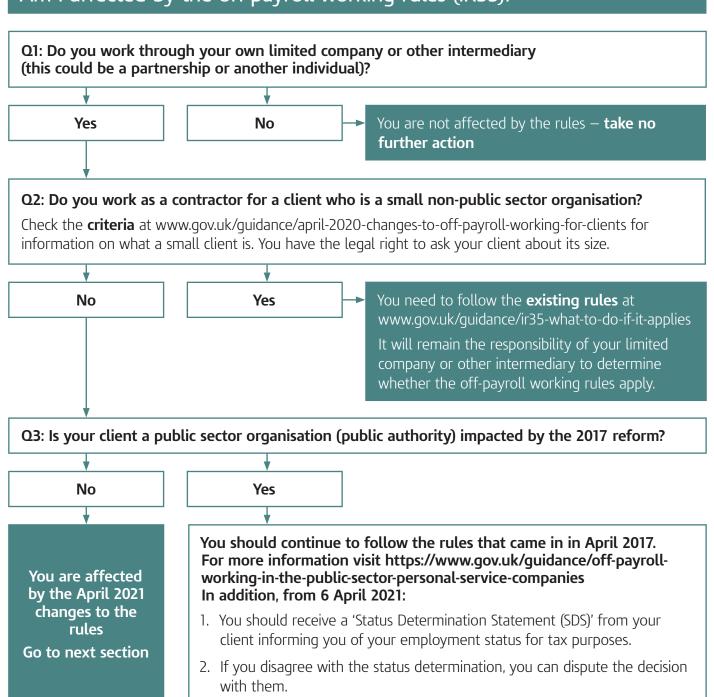


Off-payroll working rules (IR35) Flowchart for contractors

Am I affected by the off-payroll working rules (IR35)?



What happens next?

Q4: Have you provided services through your own limited company or other intermediary on or after 6 April 2021?

Yes No You are not affected by the rules — take no further action

You may be affected by the changes which came into effect on 6 April 2021.

The off-payroll working rules changed on 6 April. Your client is responsible for determining whether the rules apply (what your employment status for tax purposes should be). For more information visit www.gov.uk/guidance/april-2020-changes-to-off-payroll-working-for-intermediaries

Find out from your client what your employment status for tax purposes will be.

Depending on your contract and the working arrangements, your contract will either be determined to be inside the off-payroll working rules or outside the off-payroll working rules. They should provide you with a 'Status Determination Statement' (SDS) if your contract is inside the rules.

Contract is inside the off-payroll working rules (IR35)

You will be employed for tax purposes for that contract

The party paying your limited company or other intermediary (usually the fee-payer) **will** deduct Income Tax and Employee National Insurance Contributions (NICs) before they pay for your services. They will also be responsible for paying Employer NICs and apprenticeship levy, if relevant.

You may still need to submit a tax return, but relief is available on the tax already paid.

Contract is outside the off-payroll working rules (IR35)

You will be self-employed for tax purposes for that contract

Your limited company or other intermediary will continue to be responsible for paying the tax due.

The party paying your limited company or other intermediary (usually the fee-payer) **will not** deduct tax and National Insurance Contributions (NICs) before they pay for your services.

If you disagree with the status determination by your client, you can dispute the decision with them. If you want to check your status determination, you can use the **Check Employment Status for Tax (CEST)** tool to help you. For more information visit www.gov.uk/guidance/check-employment-status-for-tax

Know the facts at www.gov.uk/topic/business-tax/ir35