

# IR35 Legislation

JAN 2020



- On 6th April 2020 HMRC are introducing reforms designed to improve compliance of the existing 'off-payroll working rules' for all medium and large organisations in the private sector. This legislation is also commonly referred to as IR35 and the reforms have already been implemented in the public sector in 2017.
- This legislation ('IR35') is designed to ensure that workers, who would have been an employee if they were providing their services directly to an organisation, pay broadly the same tax and NI contributions as employees.
- The legislative reform is not designed to stop people working for Private Services Companies (PSCs) if that's appropriate for them. Our business continues to have a genuine need for contingent labour that is well-managed and compliant with relevant legislation. We will be implementing Status Determination Tests to ensure our contingent workforce is correctly classified, both for existing and future workers. The tests, including communication with our existing contractor population, will commence in early February.