Spotlight on the Employment Taxes Sub-Committee

Employment Tax

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This month, in our series of articles about the CIOT's technical sub-committees, CIOT Technical Officer Matthew Brown outlines the wide range of work carried out by the Employment Taxes Sub-Committee.

The remit of the Employment Taxes Sub-Committee covers all aspects of employment taxes, from PAYE payroll processes and benefits-in-kind (including optional remuneration arrangements and termination payments), to employment status, IR35 (and agency workers, managed service companies, umbrella companies, etc) and disguised remuneration. It also includes employment-related securities, expat tax, pensions, construction industry scheme (CIS), apprenticeship levy and student loans. The Sub-Committee's work is not simply focused on larger employers, our work encompasses employees (whether low or high paid) and all sizes of employers. We also work with other sub-committees where there is overlap – for example, our work on employment status, IR35 and CIS is carried out in conjunction with the OMB Sub-Committee.

Since 2013 much of our time has been devoted to projects initiated by the Office of Tax Simplification (OTS) – for example, by contributing to reviews on employee share schemes, benefits and expenses, employment status, closer alignment of income tax and NICs, off-payroll working, etc – and with the government taking forward many of the OTS's proposals we have been a very busy sub-committee! Indeed, with the large number of public consultations issued by HMRC and HM Treasury, plus draft finance bill clauses to review too, the volunteers on the Sub-Committee have been very active. In the last 12 months we made 12 public submissions on a wide range of topics including employment status, IR35, CIS, disguised remuneration, termination payments, ESCs, pensions and the new workplace charging exemption for electric cars.

We also attend meetings of various HMRC forums including the Employment & Payroll Group (EPG) and its various sub-groups. A lot of informal consultation and discussion takes place through these groups and via workshops. Although we are asked to keep some consultations confidential, we share whatever we can on the CIOT website (https://tinyurl.com/y7ljgxnl) and via the Technical Newsdesk section of Tax Adviser. In addition, we make proactive submissions on issues identified by sub-committee volunteers, or brought to our attention by members.

The Sub-Committee usually meets quarterly, and at our most recent meeting in July topics included the April 2019 loan charge, IR35 and off-payroll working in the private sector, and the tax treatment of short term business visitors from overseas branches.

The membership of the sub-committee is made up of a wide range of volunteers, working in all sizes of practices and businesses. There is, of course, room for more volunteers, in particular those who specialise in, for example, share schemes, pensions, or day-to-day payroll. If this is you, please look at the information on the CIOT's website, and get in touch.