LITRG research helps to prompt umbrella companies review

Briefings

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The government has launched a call for evidence on the ‘umbrella company’ market, prompted in part by research carried out by the CIOT’s Low Incomes Tax Reform Group (LITRG).

In March 2021, LITRG published a 150-page report taking a deep dive into labour market intermediaries, with a large focus on umbrella companies. The report received widespread praise. LITRG discussed some of the findings with HMRC and, in December, the government published a cross-departmental call for evidence on the umbrella company market which referred to the report.

The report’s lead author, LITRG Technical Officer Meredith McCammond, commented:

‘This consultative approach by government is a great opportunity for it to gather evidence about the actual and current problems with umbrella companies. This must include first-hand evidence from workers who have found themselves in a disguised remuneration scheme.'