Government is to review CEST advice

Briefings

22 April 2022

The government has promised to review the advice offered to taxpayers who receive an ‘unable to determine’ result from the Check Employment Status for Tax (CEST) tool. This follows a recommendation from a House of Lords committee after taking evidence from CIOT and others.

Colin Ben-Nathan, chair of the CIOT’s Employment Taxes Committee, had told the Lords committee that: ‘20% of the time [CEST] is unable to determine. The question then is what you do next. I suppose if you do not have recourse to advice, you call the HMRC helpline, but there is a limit to what they can do.’

More generally, the government told the Lords in its response to their latest recommendations on off-payroll working that monitoring the impact of reforms in this area would continue to be a priority.

CIOT and LITRG representatives had also told the committee that there was a need for what LITRG’s Meredith McCammond called ‘a clearer and simpler employment status landscape’, in line with the recommendations of the Taylor Review. However, there was little reassurance in this area, with a promise from the government only to ‘set out more detail in due course’.

For more see our report at tinyurl.com/opw2022