Employment Taxes Forums

Employment Tax



24 October 2024

A brief overview of Employment Taxes Forum meetings attended by representatives of the CIOT, LITRG and ATT.

In this article, we summarise the main points from meetings of various groups that took place in early autumn 2024, which are attended by CIOT, LITRG and ATT volunteers. HMRC publishes the minutes of these meetings on GOV.UK.

Employment and Payroll Group

This group is the main HMRC forum for employment tax-related matters, and is attended by ATT, CIOT and LITRG representatives. At its most recent meeting, Meredith McCammond (LITRG) and Seb Sauca (SafeRec) gave a presentation highlighting the 'bogus' nature of elective deduction model arrangements and its 'false' self-employment that is denying workers their rights. Meredith and Seb explained why HMRC should take action to target these arrangements. Other matters on the agenda included an update on the pensions dashboard and how HMRC are improving guidance on charitable tax reliefs.

Expenses and Benefits Sub-Group

This is a relatively new sub-group of the Employment Payroll Group with a focus on technical aspects of employment expenses and benefits-in-kind. A government announcement is expected on the proposal to mandate the payrolling of benefits-in-kind. Other matters discussed included a point raised by the CIOT on company car tax and HMRC's guidance on employee contributions for the private use of company cars where a more expensive car is chosen, and workplace nurseries and the partnership agreement rules.

Employment Status and Intermediaries Forum (formerly the IR35 Forum)

The forum is attended by representatives of CIOT, ATT and LITRG, and at its last meeting discussions focused on HMRC's Check Employment Status for Tax tool. HMRC also provided an update on its work on managed service companies.

Share Schemes Forum

The forum is attended by CIOT and ATT representatives, and its September meeting focused on HMRC's carried interest call for evidence. HMRC also indicated that it will soon be updating its guidance following the *Vermillion* case (*HMRC v Vermillion Holdings Limited (Scotland)* [2023] UKSC 37).

Collection of Student Loans Sub-Group

The group is attended by representatives on CIOT, ATT and LITRG. At its September quarterly meeting, HMRC provided an update into the work ongoing with improving the start and stop student loan process. HMRC also confirmed that they would be writing to borrowers that receive payrolled benefits-in-kind and who are in self assessment to provide options in regard to the anomaly notified to HMRC by the CIOT, whereby self assessment taxpayers are erroneously assessed to student loan repayments on their payrolled benefits-in-kind.

Construction Forum

The forum is attended by representatives of CIOT and ATT, and its last meeting was in mid-summer where there was a discussion on CIS simplification focusing on guidance changes, policy changes and operational improvements/digitalisation. A

joint sector and HMRC presentation on construction sector fraud was also delivered.

Employment Status Consultative Committee

This is a non-HMRC forum and is made up of employment tax experts from a number of professional and representative bodies, including CIOT, ATT and LITRG, and chaired by Justine Riccomini of ICAS. The forum has written an introductory letter to the new Exchequer Secretary, James Murray MP, offering to meet to discuss how employment status for tax might also be reformed or simplified. The forum has been discussing the case for change.

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