

## Should you ask HMRC for an IR35 contract review?

HMRC offer an [IR35 contract review service](#) for contractors, so they can financial plan based on whether the contract is inside or outside IR35.

### The HMRC IR35 Contract Review Service

They request you send the following, all in RTF format to [IR35@inlandrevenue.gov.uk](mailto:IR35@inlandrevenue.gov.uk)

- o Copy of contract
- o Details of your other business arrangements

### Should You Have Your Contract Reviewed for IR35?

To send or not to send, that is the question, whether it is harder on the wallet or more comfortable to the mind!

Firstly, we do recommend that you get your contract checked out by a qualified lawyer who specialises in employment law. From that you will then be in one of three positions:

1. You think you've passed IR35.
2. You think you are borderline.
3. You know you are inside IR35.

### If you think you have passed IR35

If you have passed IR35 then our advice at IR35Calc is DO NOT SEND your contract to HMRC for the following reasons:

1. The likely outcome is that HMRC will tell you it has failed to try and get an easy win. You then have the hassle and cost of trying to pass. This could possibly result in going to court.
2. Given the huge numbers of contractors in the market, the chances of HMRC chasing you for IR35 money is slim.
3. In the event that you are chased by HMRC you can show that you took the proper advice in order to reach your decision of passing IR35.

### If you think you are borderline IR35

If you are a borderline case then our advice is to get a second opinion. You could try putting your head in the sand and gamble that you don't get caught, but this does not provide for much financial comfort.

Assuming that you've got everything in order (contracts/working practices etc) then you could decide to assume that you would pass rather than contact HMRC.

### If you know you are inside IR35

If you know you are inside IR35 then our advice is to send your contract to HMRC for the following reasons:

1. You never know, they might say you have passed!

If you think you are inside IR35 and decide to do nothing then you run the risk of being caught and possibly jailed for tax evasion.

### Conclusion

Get some legal advice and then only submit your contract to HMRC if you think you have failed.

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