

# Off-payroll working in the public sector

## **Summary of responses**

September 2018

- Government urged to hold fire on further change
- Stakeholders call for comprehensive review of public sector impact
- Respondents claim widespread non-compliance with Off-Payroll
- Calls for measures to align with Taylor Review recommendations
- CEST deemed not fit-for-purpose

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# 1. Introduction

## Background

In April 2017 Government implemented new legislation in the public sector which replaced the existing intermediaries legislation, often known as IR35. The law currently in place is commonly referred to as the 'Off-Payroll Working' rules and requires the end-client of the personal service company (PSC) to be responsible for assessing the contractor's employment status.

In instances where the contractor is deemed caught by the new legislation, the 'fee-payer' – in most instances the recruitment agency or other third party – is required to deduct income tax and National Insurance (NI) from the contractor's income via Pay As You Earn (PAYE), and make employer's NI contributions in addition to this.

The Off-Payroll rules were implemented despite strong opposition from contracting stakeholders and with assurances from HMRC that the rules would not be extended into the private sector. Following implementation, HMRC and many within the contracting and public sectors have sharply contrasting views regarding the success of the rules.

On 18 May 2018, HMRC published a consultation that sought views on a range of proposals for how it can improve compliance with IR35 in the private sector. One of which was an extension of the Off-Payroll rules. It also invited respondents to propose alternative solutions within scope of the consultation and raise any other relevant concerns that they might have. The consultation closed on 10 August 2018.

## Terminology

**Intermediaries Legislation:** This is Chapter 8 of the Income Tax (Earnings and Pensions) Act (ITEPA), enacted in April 2000 and commonly referred to as 'IR35'.

**Deemed employee:** This is a contractor who uses a limited company, but whose hypothetical contract with their client would be considered one of employment, according to employment status case law.

**Employment status case law:** There is no statutory definition of employment. The rules determining employment status are all contained within historic court decisions. Hence it is case law.

**IR35 status:** Determining an individual's IR35 status means assessing whether they would be considered a deemed employee or not under employment case law.

**IR35 applies:** Where IR35 applies, the individual would be considered a deemed employee under case law. This may also be phrased as; 'inside IR35', 'within IR35', 'caught by IR35 or failed IR35'.

**IR35 does not apply:** Where IR35 does not apply, the individual would not be considered a deemed employee. Other terms for this are; 'outside IR35', 'not within IR35', 'not caught by IR35' and 'passed IR35'.

## April 2000: Intermediaries legislation (IR35) – Chapter 8, ITEPA

The intermediaries' legislation is contained within Chapter 8 of the Income Tax (Earnings and Pensions) Act ("ITEPA"), enacted in April 2000. This is commonly referred to as 'IR35'.

The legislation requires that, when entering a work engagement, contractors trading via a PSC assess the IR35 status of the contract. If they consider IR35 to apply, they are required to treat their income as employment income for tax purposes. This means deducting the effective rates of income tax, employee's NI and, contentiously, employer's NI from their earnings.

This means first carrying out a calculation which apportions part of their total contract earnings as the employer's NI at 13.8%. What remains is known as the 'deemed payment' from which income tax and employee's NI are deducted via PAYE.

Due in large part to the employer's NI deduction, a contractor caught within Chapter 8 is subject to an effective tax rate much higher than that of an employee. Had the contractor been a sole trader, and HMRC re-assessed them as an employee, the client would be responsible for picking up the unpaid employer's NI. This is the reason why many firms want an arms-length relationship and only hire contractors operating via PSCs; it protects them from tax risk and employment rights risk too.

**Important to note:** The April 2016 dividend tax changes mean that a contractor now pays roughly the same amount of tax on their income as an employee does on their salary. The vast bulk – roughly 84% – of perceived tax lost to the Treasury is avoided by the hirer. This is why the Off-Payroll rules (Chapter 10) are different.

## April 2017: Off-Payroll legislation (public sector) – Chapter 10, ITEPA

In the public sector, the contractor's end-client is now responsible for assessing the contractor's employment status (or 'IR35 status'). Parties are also required to determine who is the 'fee-payer', which is the party in the supply chain closest to the contractor – typically the recruitment agency or other third party, otherwise the client.

Where the contractor is assessed as a deemed employee, the fee-payer must calculate and deduct tax and employee's NI from the contractor's income via PAYE. The fee-payer is also required to make employer's NI and Apprenticeship Levy contributions *on top* of the contractor's earnings (which is known as the 'deemed direct payment').

If the contractor is wrongly processed as outside IR35, the fee-payer is liable for any unpaid taxes.

## Key differences between Chapter 8 ('IR35') and Chapter 10 ('Off-Payroll')

The key differences are:

1. Off-Payroll shifts liability for paying employer's NI from the contractor to the client
2. Onus of assessing employment status has shifted to the client
3. Liability for taxes (if investigated) has shifted to client or agency.

	<b>Intermediaries Legislation</b>	<b>Off-Payroll legislation</b>
	<b>April 2000 Chapter 8, ITEPA</b>	<b>April 2017 Chapter 10, ITEPA</b>
<b>Sector</b>	Private sector only	Public sector
<b>Tax: Employer's NI</b>	Paid out of the contractor's earnings	Paid <b>on top</b> of the contractor's earnings by the fee-payer
<b>Liability (if investigated and found to be inside IR35, when processing as outside IR35)</b>	Contractor holds the tax liability	Fee-payer (the client or agency) holds the tax liability

## 2. Executive summary: Dave Chaplin, ContractorCalculator CEO

The proposals to introduce the new Off-Payroll tax rules to the private sector are of grave concern to contractors. If Government were to proceed with this, it would mark the biggest event in IR35's history, and not one for the better.

HMRC considers the Off-Payroll tax rules to have proven successful in the public sector, as evidenced within its consultation document, despite drawing from an IFF Research report which acknowledges many of the issues that we and many others have put forward to HMRC over the past year.

Many of these issues have been dismissed by HMRC as anecdotal and there is a growing perception that, when it comes to IR35, HMRC is more than willing to overlook these concerns if it believes it stands to generate a higher tax yield.

This is why we have conducted this analysis of 33 consultation responses and relevant material from some of the key stakeholders in the contracting sector, tax and legal industries. This document provides a balanced analysis of the key issues highlighted within the industry, some of which we fear HMRC may not acknowledge within its own summary.



### Summary of analysis conclusions:

- Government is urged to hold fire on further change
- Stakeholders are calling for a comprehensive review of public sector impact
- Respondents claim there widespread non-compliance with Off-Payroll
- Calls for measures to align with Taylor Review recommendations
- CEST deemed not fit-for-purpose

## 2.1 10 key messages from stakeholders

Throughout our analysis, a number of recurring themes emerged. Here we provide an overview of the ten most prominent points put forward in response to HMRC's Off-Payroll consultation.

1. **Delay until at least 2020:** An April 2019 implementation date for any further change to IR35 is too soon for all parties involved
2. **Full review of current impact required:** An all-encompassing review of public sector reform impacts is required prior to any further change
3. **CEST is not fit-for-purpose:** HMRC's Check Employment Status for Tax (CEST) tool is not fit-for-purpose, and is not robust enough to be applied accurately to the range of engagements present in the private sector
4. **Holistic approach which aligns with Taylor Review is essential:** IR35 needs to be considered holistically along with the Taylor Review recommendations
5. **Concerns over HMRC's independent research:** HMRC's interpretation of the IFF Research report provides an inaccurate portrayal of the impact of the Off-Payroll rules on the public sector
6. **Tax-avoidance schemes have proliferated:** The Off-Payroll legislation has resulted in widespread non-compliance among clients and intensified the adoption of tax avoidance schemes among contractors
7. **Fears over the timing of change regarding Brexit:** The timing threatens the economy at a time when businesses already face challenges from Brexit and Making Tax Digital for VAT in 2019
8. **Public and private sector are different:** Concerns that HMRC views the public sector as a model for private sector change, despite their vast inherent differences
9. **HMRC's stance conflicts with law:** Recent tribunal cases have shown that HMRC's approach isn't fully aligned with employment law, particularly its flawed interpretation of mutuality of obligation (MOO)
10. **Small businesses will need considerable support:** Small businesses will struggle disproportionately with the compliance requirements set by the Off-Payroll rules if extended into the private sector.

## 3. Responses to questions in the consultation document

### *Improving the current compliance process*

**Question 1:** *What could be done to improve the compliance enquiry process to reduce non-compliance, whilst safeguarding the rights of customers?*

### Consultation response

The overwhelming message from respondents was that HMRC should review its own practices. More investment in resources, improved training for HMRC personnel and the alignment of HMRC guidance with employment case law were among the suggestions provided.

Acknowledging HMRC's poor track record regarding enquiries, some respondents advised that HMRC select its targets more carefully, noting that a higher success rate for the taxman would prove more of a deterrent against non-compliance. Others encouraged HMRC to act more collaboratively with taxpayers to encourage acceptance.

### Challenges facing Government

Respondents reminded Government that HMRC is responsible for policing IR35, which it has failed to do effectively. Improvement won't be achieved without resources, which Government has been reluctant to provide.

- *“The fact that, after almost 20 years of the off-payroll working rules, HMRC's satisfaction with the level of compliance is so low suggests that it is appropriate to consider a radically different approach.” – Association of Taxing Technicians (ATT)*



## 3.1 Extending the public sector reform to the private sector

### *Views on extending the public sector reform to the private sector*

**Question 2:** *Could the public sector reform better fit the needs of businesses? How?*

**Question 3:** *What if any, changes could help make the administration as simple as possible?*

### Consultation response

Respondents beseeched Government to undertake a further review of the public sector impact, incorporating analysis of tax collection, the cost of changes and an examination of non-compliance among hirers.

Stakeholders were unanimous that an April 2019 implementation date for change would prove disastrous, with some suggesting that HMRC should learn lessons from the rushed implementation into the public sector. Many also voiced concerns about CEST, demanding that it be amended or withdrawn.

Many respondents flagged up the need for an appeals process for taxpayers who feel that they have been misclassified and overtaxed. No formal appeals process is currently available to contractors in the public sector, meaning, if a contractor is overtaxed, they have no means of retrieving the money owed other than litigating against their own client.

Government was also urged to consider an exemption from the rules for smaller firms without the finances or resources to conduct compliance, with proposals for where the bar be set varying from £3m annual turnover to £50m.

### **Challenges facing Government**

IR35 is no quick fix and it is clear that the sector will settle for nothing less than a fully considered solution. This requires more time, thought and collaboration by Government.

## Private and public sector differences

**Question 4:** *If the private sector rules were changed, do you have any evidence that there are parts of the private sector where the administration of any regime may need to vary, even though the basic principles including for determining status remain the same?*

**Question 5:** *Is there any evidence that parts of the private sector will not have, or be able to acquire, the administrative capacity, knowledge and resources to enable them to implement any changes in relation to off-payroll workers?*

**Question 6:** *How could these difficulties be mitigated?*

## Consultation response

Respondents agreed unanimously that a rollout of the new legislation would inflict a significant administrative and financial burden on private sector businesses, many of which don't have the equivalent resources of large public sector bodies.

Others stressed that the wide range of situations and business models in the private sector makes assessing employment status swiftly and accurately an impossible task for firms. Many raised concerns about HMRC's decision to base private sector proposals on the effects of the same rules on the disparate public sector.

### Challenges facing Government

This proposal threatens to put immense strain on the small business sector – of which Government claims to be an advocate – and subsequently the economy, in one fell swoop.

- *“The public sector is more homogeneous, and the sheer variety of different work undertaken in the private sector is likely to add significant complications and resulting additional cost.” - KPMG*

## Assessments, processes, penalties and enforcement

**Question 7:** *What aspects of policy design might be adjusted if similar changes were brought in for the private sector? Should we bring in a specific penalty if agencies fail to comply?*

**Question 8:** *What action should be taken in the case where the fee-payer hasn't acted upon the client's conclusion that the worker would have been regarded as an employee for income tax and NICs purposes if engaged directly? Should an obligation be placed upon the fee-payer to adopt the client's conclusion and should there be sanctions for failing to do so?*

**Question 9:** *What action should be taken if the worker or PSC is knowingly receiving income that has not had the right amount of tax and NICs deducted?*

### Consultation response

Many respondents stressed that the responsibility for making the final status decision and determining tax liability should belong to the same entity. Several added that a worker who has been classed as an employee in law should simply be placed on the hirer's payroll.

Respondents were divided over the proposal to penalise fee-payers. Many noted that IR35 is a 'value judgement', so agencies shouldn't be obligated to adopt a client's conclusion.

Similarly, attitudes toward non-compliance penalties for PSCs were mixed. Some respondents argued it would be wholly unfair to penalise contractors for errors made by the fee-payer, while others suggested HMRC should have power to recover PAYE from the PSC.

### Challenges facing Government

The legislation requires much re-drafting and amending if it is to ensure that scenarios don't arise where a party is facing an unjust tax burden.

- *“The point of this proposal is to shift liability away from the PSC. It doesn't make much sense to make that shift, then try to hold PSCs accountable when things go wrong.” – Association of Independent Professionals and the Self Employed (IPSE)*

## Implementation challenges

**Question 10:** *What systems and process changes would businesses need to make?*

**Question 11:** *Would there be any process and administrative cost implications for businesses? Can you provide evidence of the scale and nature of these?*

**Question 12:** *Can you provide any evidence that these costs would vary depending on how much notice businesses were given before the introduction of any reform?*

**Question 13:** *Is there anything else HMRC could do to ease the implementation for businesses, and can you provide evidence of how this would ease implementation or administration for businesses?*

## Consultation response

Respondents agreed that the proposals would impose wholesale and costly systems and processes changes on firms, including the adoption of payroll software which can integrate PAYE, off-payroll working and VAT considerations, when available.

Many noted that a deduction at source model would impose disproportionate costs on smaller firms, who would either have to invest expertise in-house or outsource their assessment and invoicing processes.

HMRC was urged to allow more time for any transition, possibly by taking a phased-in approach. Multiple respondents advocated exemptions for smaller firms, while many reiterated HMRC's responsibility to provide extensive personal support.

### Challenges facing Government

Government cannot impose sweeping and costly changes on UK plc without offering ample support. If HMRC is to offload its enforcement duties, it needs to dedicate substantial resources to those now tasked with doing the taxman's job.

- *“Many of our members have indicated that the anticipated cost of compliance of systems changes alone could be in the hundreds of thousands per business.” – Confederation of British Industry (CBI)*

## 3.2 Encouraging or requiring businesses to secure their labour supply chains

### *Views on securing labour supply chains*

Opinions were mixed over this proposal, with many suggesting that it creates a significant administrative burden for firms, without necessarily tackling non-compliance, as the status decision would be left with the contractor ultimately.

Reports of payments made to the PSC, and a CEST report to evidence the client's decision, were among the suggestions for required checks on clients. Certain respondents were quick to remind HMRC of its responsibility to deal with non-compliance, adding that the reporting requirements proposed would help it better target its efforts.

Respondents generally agreed that the administrative burden would be more manageable than that imposed by the Off-Payroll tax rules, and more effective generally in tackling non-compliance, albeit with limitations.

However, concerns were raised that similar issues may arise, whereby workers find themselves under PAYE arrangements by default where clients are unwilling to risk non-compliance. Others expressed concern that clients might begin to pass their administrative burden down the supply chain, making it a prerequisite for any agency that wants their contract.

Expanding Self-Assessment (SA) tax returns to include greater information where a PSC contractor isn't working within IR35, and making the worker jointly liable for PSC debts, were among the proposed amendments to improve the proposal.

#### **Challenges facing Government**

Government needs to consider whether this considerable administrative burden on all businesses is a proportionate measure, given the lack of concrete evidence demonstrating widespread "deemed employment".

Before legislating, Government needs to ensure that the measures introduced will encourage compliance, help identify non-compliance and are easy to police.

## 3.3 Additional record keeping

### *Views on additional record keeping*

Much like the previous proposal, sentiment towards additional record keeping was mixed. Some respondents suggested that it would be too cumbersome for clients, though others argued that firms engaging PSCs should already be retaining this information, making it a proportionate response to the issue of non-compliance.

Respondents suggested that the provision of accurate information be a contractual condition for all engagements, or even a legal requirement, while others stated that clear HMRC guidance could help matters.

Certain respondents noted that the varying complexities of labour supply chains would prove a significant factor regarding the administrative burden imposed on clients. Some stressed the risk that this option would see contractors forced into PAYE arrangements by clients who are unwilling to risk non-compliance, giving rise to status challenges.

The proposal's effectiveness also divided respondents, though several agreed that it could work effectively in conjunction with a requirement for businesses to secure their labour supply chains. Others argued that the PSC should be required to retain the information, as provided by the client and agency.

#### **Challenges facing Government**

This measure requires clients to gather information without the knowledge of the contractor, and no indication is provided as to when the contractor might be informed that they are under enquiry. Such an arrangement is likely to give rise to conflict and disputes over status.

Ensuring that often complex supply chains are aware of and adhere by these rules, while maintaining the seemingly hands-off approach that HMRC seems to desire, will also prove a difficult balancing act.

## 4. Proposals for alternative compliance solutions

### *Other options to consider*

HMRC's consultation invited respondents to suggest alternative ways of tackling non-compliance for Government to consider, within scope of the consultation. Not all respondents chose to put forward proposals, and some would be considered out of scope, but below we provide a brief overview of some of the most notable proposals.

### *Withholding tax, payable by clients – EY*

EY proposed introducing a withholding tax which would be payable by clients upfront, and reclaimable by a PSC only when a 'self-employed' decision is obtained from an amended version of CEST. The idea is inspired by the Professional Services Withholding Tax (PSWT) currently enforced in Ireland, which is paid by 'accountable persons' from payments made for certain professional services.

Accountable persons submit PSWT returns to the Irish Revenue and pay over the PSWT deducted, with the sum being held from the service providers' fees. This can be claimed against their income tax or corporation tax in the same year.

### *E-filing reports of payments and assessments – CIOT & KPMG*

Building on existing record keeping requirements and a requirement to secure supply chains, both the Chartered Institute of Taxation (CIOT) and KPMG proposed that clients be asked to regularly record payments made to PSCs and e-file them to HMRC, along with possibly a CEST report to evidence their view on the PSC's IR35 status.

The responsibility for compliance would fall ultimately to the PSC, though CIOT claims the information provided by the client would help HMRC target its compliance efforts better.

This proposal would involve making the worker jointly liable for PSC debts of PAYE and NI, which, it was argued, would incentivise the individual to ensure that they remain compliant.

### *Removing NI distortion – LITRG*

In its response, the Low Income Tax Reforms Group (LITRG) acknowledged that, as a result of the income tax dividend distributions above the £2,000 threshold are subject to, the NI differential now drives the formation of many PSCs, particularly those formed upon the insistence of clients.

LITRG argues: "Removing the distortion created by this anomaly would be the most effective form of ensuring better compliance with IR35 as the need to operate in this way would be obviated. Then only those PSCs formed for other commercial reasons would remain."

## 5. Issues raised by respondents

### *Key concerns regarding the consultation proposals*

Respondents were invited to raise any other issues related to the consultation that they believed could affect businesses and individuals, and which weren't necessarily covered within the questions.

Many expressed considerable concern over the public sector reform, HMRC's perceived misrepresentation of the consequences and the haste with which it is seeking to implement change in the private sector, among other factors.

### *Concerns over CEST*

Respondents were almost unanimous in their insistence that CEST either be amended or withdrawn before any possible private sector expansion of the Off-Payroll rules, while many others called for a review of the tool's accuracy.

CEST's failure to consider mutuality of obligation (MOO) – one of the three key tests of employment – raised concerns from many respondents that it is not fit for purpose.

CIOT was among those who stressed concerns that both CEST and HMRC's approach to IR35 are geared towards finding a contractor within scope of the legislation; an argument which it notes is backed by recent tribunal rulings such as *MDCM* and *Jensal*.

Meanwhile, multiple respondents stated that CEST, in its current format, cannot determine accurately the employment status of individuals in the diverse range of industries covered within the private sector.

### **Challenges facing Government**

If Government wants to extend the legislation to the private sector, it needs to provide a simple, accurate compliance solution which can be applied to all forms of work. Any solution will be subject to much scrutiny following CEST's failings.

### *Public sector reform inciting non-compliance*

Though HMRC has heaped praise on the public sector changes for supposedly improving compliance, many respondents were quick to highlight evidence of heightened non-compliance with the legislation at both ends of the spectrum.

Qdos referenced its own survey which found that 38% of public sector contractors report having been subject to a blanket assessment since April 2017.

Respondents acknowledged that, in many of these instances, the client deducts its own employer's NI liability from the contractor's income. The Association of Chartered Certified Accountants (ACCA) noted that, even in instances where HMRC agrees that the contractor should have tax refunded, the fact that employer's NI isn't attributed to the individual means it won't be repayable to them.

Others noted that the legislation has resulted in a sharp rise in the adoption of non-



compliant payroll providers among contingent workers. JSA highlighted that many contractors have entered into these to avoid unfair tax treatment elsewhere and are paying insufficient amounts of tax subsequently.

### **Challenges facing Government**

Widespread evidence of non-compliance will come further under the microscope in the private sector, which HMRC will ultimately be forced to acknowledge. Meanwhile, feedback from respondents suggests that HMRC risks suffering another blow in its losing battle against tax avoidance schemes.

- *“The proposal appears to rely on imposing fear of tax liability on companies to effect behavioural change in the use of contractors.” – Association of Recruitment Consultancies (ARC)*

### **HMRC’s IFF research report**

Respondents took exception to several issues with the HMRC-commissioned IFF research report, ‘Off-Payroll Reform in the Public Sector’, from which HMRC has concluded that the public sector change has proven successful.

The study has been described as unrepresentative due to its failure to reflect the experiences or problems faced by agencies, workers and PSCs resulting from the change, especially those of workers who have had employer’s NI deducted from their income.

Others accused HMRC of misrepresenting the IFF research within its consultation, by cherry-picking figures which portrayed the changes in a more positive light.

### **Challenges facing Government**

A high number of respondents criticised the IFF research and HMRC’s subsequent conclusions, and any policy based on this alone will face a severe backlash from the flexible workforce.

- *“This research has damaged HMRC’s reputation and further undermined confidence in the proposals.” - Orange Genie*

### **Calls for a comprehensive review of the public sector reform**

The marked contrast between HMRC’s interpretation of the public sector change and the experiences of stakeholders underlines the need for a comprehensive review of the public sector impacts by an independent body before any change occurs.

While almost all respondents stressed that an April 2019 implementation date for change would be premature, the majority noted that a revised timeframe would need to allow for a thorough examination of the public sector impact.

Many highlighted that this should be undertaken at the end of the first full compliance cycle, once all figures to determine the effect on tax yield accurately are available.

### **Challenges facing Government**

Stakeholders unanimously demanded a complete review of the public sector. Government now faces the task of undertaking this review. Once the findings are revealed, it will likely have the task of consulting on alternative solutions.

- *“Without a review of these issues, the existing regime will continue to disrupt and penalise genuinely self-employed individuals and the public sector bodies who require this flexible workforce.” – Freelancer & Contractor Services Association (FCSA)*

### **HMRC’s claims and figures**

As by-product of the issue above, plenty of respondents were quick to flag up faults with HMRC’s conclusions drawn from incomplete and sometimes perceivably unsubstantiated data.

EY raised questions over HMRC’s claim that roughly a third of PSC contractors fall within IR35, noting that, if this figure was accurate, the tax yields outlined within the consultation are likely to be significantly lower than those generated.

The most frequently cited figure was HMRC’s conclusion that the new legislation has heightened compliance by raising an additional £410m in income tax and NI in the immediate aftermath.

Many respondents acknowledged that this fails to consider diminishing corporation tax and dividend tax receipts. ARC also noted that the figure fails to acknowledge contractors who have been subject to blanket assessments and to excessive taxation as a consequent.

### **Challenges facing Government**

HMRC has set itself some lofty heights with its estimated compliance figures. If Off-Payroll fails to meet the expectations set by HMRC, as expected, it will heap further pressure on the taxman.

### **Government’s refusal to consider IR35 holistically**

Multiple respondents expressed frustration with Government’s refusal to view IR35 through the same lens as other prospective areas of policy that are being explored; most notably recommendations set out in the Taylor Review of modern working practices and Government’s consultation on employment status.

Saffery Champness acknowledged that any reform of the employment status rules could negate the need for IR35 or equivalent provisions in future and questioned whether it made sense to introduce substantial changes now, only to introduce further significant amendments shortly after.

Meanwhile, the Institute of Chartered Accountants in England and Wales

(ICAEW) were among many who reinforced the Taylor Review recommendation that tax status be aligned with employment status, to help protect those forced into 'employed for tax purposes' arrangements unjustly.

### **Challenges facing Government**

By extending the Off-Payroll rules into the private sector, Government risks subjecting already vulnerable workers to further exploitation. Any parity-restoring policy introduced ultimately because of the 'Good Work Plan' will have further obstacles to overcome.

- *“To rush an imperfect solution at a time when the very nature of work is changing, and the Taylor report is still being considered by Government, would be a missed opportunity.” - ICAEW*

## Annex 1: List of stakeholders consulted

ContractorCalculator gathered and analysed consultation responses and related material from the following organisations:

ACCA (Association of Chartered Certified Accountants)  
Accountax/Abbey Tax  
ALP (Association of Labour Providers)  
ARC (Association of Recruitment Consultancies)  
ATT (Association of Taxation Technicians)  
Brookson  
CBI (Confederation of British Industry)  
CIOT (Chartered Institute of Taxation)  
CIPD/CIPP (Chartered Institute of Personnel and Development/Chartered Institute of Payroll Professionals)  
Crunch  
CTG (Charity Tax Group)  
Danbro  
EY (Ernst & Young)  
FCSA (Freelancer & Contractor Services Association)  
FSB (Federation of Small Businesses)  
ICAEW (Institute of Chartered Accountants in England and Wales)  
ICAS (Institute of Chartered Accountants of Scotland)  
IFA (Institute of Financial Accountants)  
IFS (Institute for Fiscal Studies)  
IIM (Institute of Interim Management)  
Imex Consultancy  
InTouch  
IPSE (Association of Independent Professionals and the Self Employed)  
JSA Services  
KPMG  
LITRG (Low Income Tax Reforms Group)  
LSS (Law Society of Scotland)  
PRISM  
Orange Genie  
Qdos Contractor  
REC (Recruitment & Employment Confederation)  
RHA (Road Haulage Association)  
Saffery Champness

## Annex 2: Publicly available copies of consultation response

For the consultation response from an individual organisation click on the relevant link below. Not all organisations have made their responses public:

[Accountax/Abbey Tax](#)

[ALP \(Association of Labour Providers\)](#)

[ARC \(Association of Recruitment Consultancies\)](#)

[ATT \(Association of Taxation Technicians\)](#)

[CIOT \(Chartered Institute of Taxation\)](#)

[CIPD/CIPP \(Chartered Institute of Personnel and Development/Chartered Institute of Payroll Professionals\)](#)

[Crunch](#)

[CTG \(Charity Tax Group\)](#)

[FCSA \(Freelancer & Contractor Services Association\)](#)

[FSB \(Federation of Small Businesses\)](#)

[ICAEW \(Institute of Chartered Accountants in England and Wales\)](#)

[IFA \(Institute of Financial Accountants\)](#)

[IIM \(Institute of Interim Management\)](#)

[IPSE \(Association of Independent Professionals and the Self Employed\)](#)

[JSA Services](#)

[KPMG](#)

[LITRG \(Low Income Tax Reforms Group\)](#)

[LSS \(Law Society of Scotland\)](#)

[Qdos Contractor](#)

[RHA \(Road Haulage Association\)](#)

[Saffery Champness](#)

END