



Web [www.gov.uk](http://www.gov.uk)

Date 21 December 2018  
UTR [REDACTED]

Dear Sir or Madam

### About using a Personal Service Company (PSC) in the public sector – you need to check your employment status

Our records show that you work or did work in the public sector and used a PSC during the 2017 to 2018 tax year.

Since April 2017, public sector bodies decide if off-payroll (IR35) rules apply, not a PSC.

If these rules do apply, the public sector body/agency or third party must take-off employment taxes and National Insurance contributions (NICs) before they pay a PSC.

#### What you need to do now

Please check to see if your employment status is right or was right when you used a PSC. You can use our online tool called CEST to do this. Go to [www.gov.uk/guidance/check-employment-status-for-tax](http://www.gov.uk/guidance/check-employment-status-for-tax)

You should carry out this check within the next 30 days. We'll contact you again to find out what action you've taken. Please keep a copy of any decision produced by CEST, as we may ask to see it later.

If this check shows your status should be "employed" but you are or were "self-employed" and you've received a repayment, you must contact us with the:

- name of your public sector body/agency/third party and details of the decision they made about your employment status
- length of your contract and how much you were or are being paid
- total amount of any repayments

#### Contacting us

If you have any questions about this letter or need more help, you can:

- call our helpline on 0300 123 2326
- email us at [ir35@hmrc.gov.uk](mailto:ir35@hmrc.gov.uk)

Information is available in large print, audio and Braille formats.  
Text Relay service prefix number – 18001



- write to us using the address shown above
- go online to [www.gov.uk/guidance/ir35-find-out-if-it-applies](http://www.gov.uk/guidance/ir35-find-out-if-it-applies)

When you contact us, please quote the reference 'ES&I PSC Letter 1' and any other references shown above.

If you send any documents, you must tell us if you want them returned or we may securely destroy them after 90 days.

### **Compliance checks**

Please note if we carry out a compliance check and find something wrong, you may have to pay a penalty.

For the factsheets giving information about this, go to [www.gov.uk](http://www.gov.uk) and search 'CC/FS7a' and 'CC/FS9'.

### **Go Paperless**

If you are self-employed with no other source of income, no employees and are not registered for VAT you can choose to receive messages through your online account. To do this, go to [www.online.hmrc.gov.uk/login](http://www.online.hmrc.gov.uk/login) and login to your account then select the option to go paperless. If you do not have an online account for Self Assessment already, go to [www.hmrc.gov.uk/registeronline](http://www.hmrc.gov.uk/registeronline) to set one up.

Please remember that the deadline for filing your 2018 Self Assessment Tax Return online is 31 January 2019. If you haven't yet registered for online filing, please allow at least seven working days to complete the registration process. ]

Yours faithfully

### **HM Revenue and Customs**

Join the millions of taxpayers already using their Personal Tax Account to access a range of HMRC services. It takes just a few minutes to get started, go to [www.gov.uk/personal-tax-account](http://www.gov.uk/personal-tax-account)

To find out what you can expect from us and what we expect from you go to [www.gov.uk/hmrc/your-charter](http://www.gov.uk/hmrc/your-charter) and have a look at 'Your Charter'.