

APSCo responds to IR35 private sector consultation

Submitted by: BlueSky Public Relations Ltd

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APSCo has responded to HMRC's long awaited publication of its consultation on the extension of the off-payroll rules into the private sector which will take effect on April 2020. Commenting on the consultation, Tania Bowers, Legal Counsel at The Association of Professional Staffing Companies (APSCo) (<https://www.apsco.org/>) said:

"It is important to note that the aim of the consultation is to understand how best to extend the implementation of this IR35 reform, which was introduced into the public sector in April 2017. This consultation will not decide whether the reform should go ahead – the Government announced that it would in the 2018 Autumn Statement."

"However, following the concerns raised by APSCo members and other stakeholders, HMRC is also, concurrently, reviewing its CEST (Check Employment Status for Tax) - a tool which the majority of stakeholders feel is not fit for purpose. In fact, in 2017, after the CEST tool was introduced for determining tax status in the public sector, 43% of APSCo's members said that "the HMRC tool does not generally produce reasonable status decisions in light of the factual realities of placements.""

"HMRC is undertaking some user research during March/April 2019 which APSCo members will be involved with. Any enhancements to the CEST tool will be available before April 2020."

"As Co- Chair of the IR35 Forum, APSCo will of course be engaging with HMRC, which is planning to hold a series of round table events to listen to the views of stakeholders – round tables which we will be very much part of."

-Ends

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