

# Changes in the construction industry

Chris Warrillow of TurnerWarran Accountants and Business Advisers offers advice



One of the more draconian aspects of the new CIS regulations is the power of HMRC to withdraw gross payment status if they consider that a contractor's circumstances have changed in a particular way.

Under the pre-CIS rules status would generally be reviewed at renewal date. Under the new rules if an inspector is of the opinion that a contractor's circumstances have changed so that if he applied now, he would not be granted gross payment status, gross payment status may be withdrawn.

Obviously it is important to ensure that you stay the right side of the qualification process, in order that your gross payment status is maintained. As HMRC point out, to pass the compliance

test, you and any business partners (or your company and each of its directors) must, during the twelve months up to the date of application, have...

- \* completed and returned all tax returns
- \* supplied any information to do with your tax requested, and
- \* paid by the due date all tax due, all your own National Insurance contributions, any PAYE tax and NICs due from you as an employer and any deductions due from you as a contractor.

**If you do receive notification that your status has changed this can be appealed. Call us immediately on 01652 650112 for more information.**