

The innovating business

The Catapult programme exists to help UK businesses take ideas off the drawing board and turn them into reality. To date, the programme has supported nearly 6,000 small and medium enterprises looking to bring new products and services to market.

Run by government-sponsored Innovate UK, the Catapult programme connects UK businesses with resources, equipment, expertise and contacts in the UK research and academic community. The programme works via a network of not-for-profit technology and innovation centres throughout the UK. It is targeted at high-tech sectors, and each centre has a particular specialism. These include compound semiconductor applications; digital; energy systems; high value manufacturing; and offshore renewable energy.

The centres can be used by any UK business, regardless of size or longevity. To help you decide if the programme is right for your business, each centre has its own website and social media channels. There are also business development teams available to talk to those interested. Further information is here catapult.org.uk

IR35 shake-up

The Autumn Budget brings change to the 'off-payroll' working (IR35) rules from April 2020.

This may affect you if you work on a contract through a personal service company (PSC) in the private sector, or hire or place such workers. Similar rules already apply in the public sector.

The IR35 rules aim to prevent avoidance of tax and National Insurance Contributions (NICs). The rules target those working for a client through an intermediary (usually a PSC), where the use of the intermediary means that the worker avoids being taxed as the client's employee. At present, responsibility for deciding if IR35 rules apply to a private sector contract lies with the intermediary. If IR35 applies, the intermediary has to account for PAYE and NICs on the fees received. From 6 April 2020, responsibility for deciding employment status passes from the intermediary to the party engaging the worker. If IR35 applies, the business, agency or third party paying the intermediary must deduct income tax and employee NICs. It will also become liable for employer NICs.

The change impacts 'medium and large' businesses using an intermediary, but not 'small' businesses. Following the Companies Act 2006 definition of a small company, this will probably exempt

businesses meeting any two of these criteria: a turnover of £10.2 million or less; having £5.1 million on the balance sheet or less; having 50 or fewer employees.

HMRC has an online Check Employment Status for Tax (CEST) tool to help decide whether the off-payroll working rules apply to any given contract bit.ly/2AwDfwP. It can be used by workers, hirers, or agencies placing a worker. HMRC will stand by the result - unless a compliance check finds that information supplied was inaccurate. You can use the service anonymously. It will store neither your details, nor its findings. You can however, print the result, and this is essential. If there are changes to the working arrangement, we recommend that you run the new details through the check again. But problems over employment status do arise in practice, even when the tool is used, and HMRC is committed to improving CEST's usefulness. We are always happy to advise in this area.



Making Tax Digital is coming from April...

If you file a VAT return, you'll soon be required to do it in a HMRC digital compliant software.

WE CAN HELP YOU GET READY!

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