

REVIEW: Claritax's Employment Status - The Tax Rules



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Jennifer Adams provides us with her review of Claritax's Employment Status - The Tax Rules by David Kirk.

The system of PAYE was forced upon an unsuspecting UK workforce way back in 1944, so long ago that you would have thought that, by now, all that could have been written on the subject had already been written. '*Employment Status - The Tax Rules*' is one book under the PAYE heading that needed to be written but for some reason no-one had taken up the challenge.

The timing of the publication could not have been bettered, coming as it does pre the impending RTI regime.

You only have to look at questions being asked under Any Answers to appreciate that RTI centers around the status of the worker, questions are already being asked about RTI and the practical implications for directors, for example.

This book has been written with the practitioner in mind, with the appreciation that the reader will already have a working knowledge of PAYE calculation but may well come across specific 'status' determination problems in their work; this book therefore fills a gap.

I would suggest that this is not a book to be dipped into, rather it should be read in full, from cover to cover in order to appreciate the problems that can be encountered and the difficulties that various court decisions have produced. Only then should it be used as a reference book.

Don't let my suggestion put you off though, as the text is very readable.

I particularly liked it that when the author mentioned a tax case he also gave the basic facts thereby enabling the reader to fully appreciate the point being made. Plus, something that always 'grates' when reading a tax book is where the author quotes from an authority, the reader has to 'flag' the page being read, then turn to the appendix at the back of the book to find that only the same name is quoted.

In contrast, this book gives the authority at the end of the particular section plus the page number and even the section number of HMRC's Employment Status Manual, if relevant.

The book is written methodically, the starting point being the 'MacKenna' tests as per the 'Ready Mixed Concrete' status case.

The decisions of subsequent tax cases are compared with the author giving his own reasoned opinion as to whether the case was correctly decided on the points made.

The text is written from a practical viewpoint, the author explaining problems that various tax cases have produced, or not covered, with advice as to what action to take should the reader be faced with particular queries. There is a separate chapter specifically on the status of agency workers working in different situations and also chapters discussing potential problems on deciding the status for workers of 'Managed Service Companies' and 'Other Intermediaries' ie IR35 companies.

Call me sad but I actually enjoyed reading this book not least because it is written in a non-textbook manner. It is a mine of information, for example, did you know that 'divers and diving supervisors' whatever their role is 'are deemed not to be employed for income tax purposes, if the work relates to exploration or exploitation of the sea bed, its sub soil and their natural resources'.

No, me neither and by the way, the answer to the question as to the status of directors can be found in chapter seven.

Information about the book:

- Title: Employment status: The tax rules
- Author(s): David Kirk
- Publisher/available from: **Claritax Books** ^[1]

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