

## **IR35 – CONTRACT REVIEWS**

In order to plan and administer your accounting and taxation affairs, you need to consider the IR35 status of each contract. The responsibility for reaching a conclusion is yours, but to assist you with this you should consider having contracts reviewed professionally.

Garbetts offer a contract review service for you.

There is an additional charge for our contract review service, currently at £100+vat.

In order to use this service you must:

- complete a pre-review questionnaire – downloadable from  
[www.garbetts.com/download/contractreview.xls](http://www.garbetts.com/download/contractreview.xls) or  
[www.garbetts.com/download/contractreview.pdf](http://www.garbetts.com/download/contractreview.pdf)
- forward to us the contract and any schedules

Please do not ask us to review proposed contracts which you have written or downloaded, and which have yet to be negotiated with your agent or client as acceptable.

Please do not ask us to review contracts produced by your agent or client which have not yet been personalised to fit this particular engagement.

We are happy to review contracts pre-signature or at a draft stage, but in these circumstances would request that you do not re-submit contracts for review once signed. We will happily consider and advise on specific amended clauses only.

Our contract reviews are not a full legal review of the contract; they consider IR35 matters only, and no liability is accepted for general legal issues in the contract or advice thereto.

We normally aim to turn around reviews within one week. The turnaround time is normally less than this however. Unfortunately we cannot commit to reviewing contracts in a short time scale before a specified signature date/start date. Contract reviews are a specialist service, and due to staff holidays the service may not always be available – in such circumstances contract reviews are available from other sources, eg the Professional Contractors Group ([www.pcg.org.uk](http://www.pcg.org.uk)).

HMRC also have a contract review service. Its use is however not recommended. It will only consider signed contracts, and the advice is considered, not surprisingly, to be biased in HMRCs favour. Furthermore the staff engaged by HMRC on contract reviews only have limited experience. Finally there is an obvious difficulty that using their review service, particularly for a weak contract, flags you for future IR35 compliance checks.

*© Garbetts – updated 17 February 2011 – guidance for illustration only, please seek advice before taking any course of action if you are unsure.*