

Policy Circular

Document No 05/07

Owner: Strategy & Communications Directorate

Subject: User Tax Contributions

Version: 1 of 1

Last Amended: 14 February 2007

Date Reviewed: February 2011

Next Review: February 2013

1.0 Background

All earned income is potentially subject to tax payments that should be made to H M Revenue & Customs (HMRC). The amount contributed will depend on an employee's personal tax allowance and the amount they earn. Most people who are directly employed will have their tax contribution deducted from their salary using the PAYE system. This will apply to PA's who are directly employed by ILF Users.

Individuals who are self-employed are responsible for calculating and paying their own tax contributions.

2.0 Policy

The ILF will expect any tax contributions to be deducted directly out of the hourly rate or overall package costs paid to a client. The ILF will not make any additional contributions to pay for tax contributions.

Independent Living Fund

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The Independent Living Fund is an Executive Non-Departmental Public Body of the Department for Work and Pensions

3.0 Procedure

If a User, their representative or Social worker requests that additional monies are made available for tax costs they should be informed of the above policy.

Users should be directed to HMRC for appropriate guidance and documentation on such matters.

ILF staff should not act as advisors regarding tax issues and should refer them to HMRC for such guidance.

4.0 Source

Trustees meeting/study day December 2004
Trustees meeting 13 September 2006
CAB Website
HMRC Website

5.0 Cross References

NI policy

6.0 History Date Reviewed

February 2009
February 2011