

## **How do I register to work in the UK?**

When you get a job in the UK you must complete an application form (WRS) giving your name, address, date of birth, nationality and employment details. To obtain this application form, or to get further information you can call 08705 210 2224 or visit [www.ind.homeoffice.gov.uk](http://www.ind.homeoffice.gov.uk) or [www.workingintheuk.gov.uk](http://www.workingintheuk.gov.uk).

When you first apply, you will need to include a letter from your employer confirming that you are working for them, two passport photos, your passport or ID card and a payment of £50 (this can be a cheque, postal order or bankers draft – do not send cash) You must do this within one calendar month of commencing your employment, failing to do so will mean that your employment will be deemed illegal.

## **Will I have to pay UK tax and National Insurance?**

UK tax will be payable on your wages for work carried out in the UK. Your employer should make the necessary arrangements and deduct the money from your wages.

You are not liable to pay National Insurance if your contract of employment with a temporary work agency was signed in Poland and you pay your social security contributions in Poland. For this, you require the E101 form from your local ZUS (Social Insurance) Unit. The E101 form confirms that you pay social security contributions to Poland and therefore prevents a claim for UK National Insurance contributions.

If you enter into any kind of employment contract in the UK you will have to pay National Insurance to the UK. Your employer should make the necessary arrangements and deduct the money directly from your wages. If you are liable to pay UK tax and National Insurance you will receive a National Insurance number, ensure that you know this number as it is an important piece of information throughout your working life in the UK.

Be aware that in addition to paying UK tax, you may also be expected to pay tax in Poland as well if you are resident there for tax purposes. In that case, if the tax you pay in the UK is less than the tax due on the same income in Poland, you will have to pay the difference to Poland. If this is the case, it is advisable that you contact your local tax office (Urząd Skarbowy) in Poland for more advice and information.

## **What is IR35?**

The Term “IR35” became established following a budget press release issued by the Inland Revenue on 23<sup>rd</sup> September 1999. That press release was called “IR35”. At its simplest, IR35 is the way in which the taxman closed a loophole that was allowing many contractors and freelance professionals to avoid paying large amounts of Tax and National Insurance.

### **To escape IR35**

1. You will always in future need a clear, signed, contract for each assignment
2. The contract will need to be carefully worded. Often you will need to get a new contract reviewed by an IR35-expert lawyer
3. You will need to appear to be a 'proper' business – address, stationery, telephone, fax and e-mail
4. Employees (usually you) should be paid at least minimum national wage plus holiday pay.
5. If you manage to acquire more than one source of income this will help.
6. Carrying professional indemnity cover will also be important to support the business profile
7. Contractors engaged in support roles will have difficulty getting around IR35 in general. Programmers, analysts, managers and those in creative areas will find it easier to assert they are carrying on a business.

### **HMRC Employment Status Indicator**

There is now a free online tool provided at

<http://www.hmrc.gov.uk/calcs/esi.htm>

It can be used by businesses and individuals to obtain an indication of employment status. The questions posed by the tool are dependent on the information provided by the user and are industry specific. The tool applies tests one by one and the questions raised vary. The tool will provide a summary of the reasons for the decision reached. **The result could provide evidence that you are outside the scope of Ir35.**