

What is IR35?

IR35 is the name given to the Government's tax legislation which focuses on identifying 'disguised employees'; individuals who are providing services to a client through an intermediary company, such as a Limited Company or PSC, but whose relationship with the client would be one of employment were it not for the presence of the intermediary such as an agency. Where this is the case, the IR35 rules require the intermediary (agency) to deduct and make payment of the equivalent taxes as would be payable by a typical PAYE employee.