



Rt Hon Sajid Javid
Chancellor of the Exchequer
11 Downing Street
London
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30th November 2019

URGENT - Announcement on Conservative review into IR35 - please clarify off-payroll roll-out halt

Dear Chancellor,

Further to [our letter of 26th November](#), about the fact that the Conservative Party commitment to a review into self-employment must look at reviewing IR35 legislation, we are delighted that you have today announced that the Conservatives will review IR35, if you win the General Election.

If this is a genuine review into IR35 legislation, which means a proper review into how best to tax contracting and freelancing in the tax system, then this is very good news and a chance for you, if elected, to work with the sector instead of against it, as has been the case up to now.

It is not clear, though, if you have announced that the Conservatives have now dropped plans to introduce the Off-Payroll Tax - the 'off-payroll' rules roll-out to the private sector - which you had previously intended to bring in to commence in April next year. To review something, yet go ahead with it anyway would clearly be a farce and an empty promise, so we need this clarified urgently.

In the interview on MoneyBox on BBC Radio 4 today, when you committed to the IR35 review, you were asked if you will therefore halt the off-payroll rules roll-out to the private sector. You replied:

"This is a review. I don't want to preempt the review. We will be having a review. I think it would make sense to include the proposed IR35 changes in that review."

The phrase "I think it would make sense to include the proposed IR35 changes in that review" does strongly infer that you intend to pause the off-payroll rules roll-out (which should indeed be looked at as part of any review). However you did not explicitly say this.

So we urge you. now, to announce clearly and unequivocally, that should the Conservatives be re-elected, you will NOT proceed with the off-payroll roll-out to come in in April and will indeed conduct a genuine review.

If you are able to do this, we will be the first to commend you for listening, something that all too often politicians seem not to do.

It is also vital that you now give certainty to businesses and to contractors and freelancers.

Despite claims by junior ministers that the off-payroll rules would not impact business or contracting, you are well aware that already companies are laying off contractors and some are moving contracts abroad, leading to a loss of skilled roles in the UK, due to the assumption that the Conservatives were going to push ahead with the Off-Payroll Tax. Contractors and freelancers have already been told they won't be wanted, including some losing their jobs just before Christmas. Others have been told their pay levels will be slashed.

So you need to make a clear statement, to give certainty to business and hundreds of thousands of contractors and freelancers, that the Off-Payroll Tax will NOT be coming in in April 2020 and that you would instead conduct a genuine review if re-elected.

If you do this, then we look forward to working with you to discuss how best to recognise and support contractors and freelancers - the UK's skilled flexible workforce - who make a huge contribution to the UK economy. So we would like to request a meeting with you to discuss the IR35 review, so we hope you will agree to meet with representatives from the Stop The Off-Payroll Tax campaign.

So please now show that this is a genuine review and put the off-payroll roll-out on hold and then work together with the contracting sector to review how best to recognise contracting and freelancing in the tax system.

The support of UK contractors, freelancers recruiters and businesses depends on this and it is clearly the right thing to do now you have announced a review of IR35.

We look forward to hearing from you.

Yours sincerely,



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