

Stop Zero Rights Employment - delay the IR35 Off-Payroll roll-out

Finance Bill Report Stage Briefing for MPs - 1st July 2020

Vote to STOP Zero Rights Employment and halt the damaging Off-payroll roll-out

This Wednesday, in the Finance Bill Report Stage, MPs who care about workers' rights, fairness and good legislation **must vote to halt the April 2021 roll-out of the damaging Off-payroll working rules' (IR35)** which in its current form will destroy flexible working and erode workers rights. If MPs allow the current plans to go through unamended, thousands of UK workers will be forced into **Zero Rights Employment** - taxed as an employee but with no employment rights or benefits.

The rhetoric behind this policy is deeply misleading, it is claimed this is about two people doing "broadly the same job being taxed the same" - **this is not true**. This flawed legislation actually means "deemed employees" will NOT be given the same rights, and in the process severely damage the flexible workforce, vital for recovery and economic growth. The Government is ignoring this fact and ignoring the damning House of Lords Finance Bill Sub Committee report ***Off-payroll working: treating people fairly*** ([see Report](#)).

Back Cross-Party Amendment 20

There are several positive amendments - 17, 37, NC35 - but the amendment with the best chance of being selected and supported across the house is **Amendment 20**, tabled by a cross-party group of MPs led by David Davis, Sir Ed Davey, Andrew Gwynne, Owen Thompson and Chris Stephens.

Amendment 20 is for a simple 2 year delay - to allow the Government to **pause**, properly **review** the issues and **resolve** the flaws - including legislating to ensure all who are deemed as employees are also entitled to employment rights, something that will NOT be the case if the Finance Bill goes through unamended.

All IR35 Off-Payroll Amendments

There are four main amendments that either seek to change, review or scrap the Off-Payroll Tax roll-out:

- **Amendment 20:** tabled by a cross party group of MPs led by David Davis MP - for a delay of 2 years (there are consequential amendments also directly related so 20-36)
- **Amendments 37-54:** tabled by the same cross party group of MPs - for a conditional roll-out delay, until employment rights accompanying any inside IR35 status is introduced into employment law.
- **New Clause 35 (NC35):** tabled by the Liberal Democrats - an IR35 review must occur before roll-out.
- **Amendment 17:** tabled by the SNP - to remove the roll-out ("Schedule 1") from the Finance Bill

All of these would be positive and helpful, so please vote for ANY that are selected but Amendment 20, as the cross-party amendment, is most likely to be selected. **MPs who don't vote for a delay are allowing the Government to bring in Zero Rights Employment - which would be completely unfair.**

The Message to Government: Pause, Review, Resolve!

In the current Covid-19 crisis with many contractors and freelancers out of work, and with no Government support, a roll-out in April is disastrous for them. This flawed policy has already caused damage. The impact of the originally planned roll-out in April this year saw many self-employed contractors lose work, and many were forced to accept large pay cuts and Zero Rights Employment, as corporations passed their new tax bills onto workers. Work was lost abroad as companies sought to avoid the legislation by moving projects overseas.

The Off-Payroll Tax must be paused. Then the Government should fulfil its manifesto promise to conduct a proper review into self-employment, including IR35, and then finally resolve the issues and ensure that employment law is aligned with tax law so Zero Rights Employment is outlawed.

MPs who oppose Zero Rights Employment need do two things:

1. Add your name to Amendment 20 - email the Public Bill Office PBOHoC@parliament.uk for Amendments 20-36 (Please also add your name to Amendment 17, amendments 37-54 and NC35).
2. Please commit to voting AYE to Amendment 20 on Wednesday, whether in person or by proxy.