

Letter to the Chancellor about the proposed changes to IR35

I have today sent this letter to the Chancellor about the proposed changes to IR35 – a matter of great concern to many of my constituents. I have urged him to start the review immediately before the changes come into effect and potentially become a dampener on enterprise and undermine the self-employed.



THE RT HON SIR JOHN REDWOOD MP, D.Phil, FCSI

HOUSE OF COMMONS
LONDON SW1A 0AA

The Rt Hon Sajid Javid
Chancellor of the Exchequer
1 Horse Guards Road
London
SW1A 2HQ

17 December 2019

Dear Sajid

Both before and during the Election campaign many of my constituents expressed concerns about the implementation of changes to IR35 in April.

They were understandably concerned about the impact it would have on them as genuinely self-employed contractors, consultants and specialists. One of my constituents reported that several major companies have already terminated arrangements with independent contractors due to the complexity of IR35 rules and the inordinate administrative burden it imposes.

The freedom, flexibility and autonomy of contract work is an attractive proposition for the independent contractors but there is also a downside in terms of no holiday and sick pay as well as company benefits. For this reason, it is important that they are taxed fairly.

There is also the real danger of losing business to overseas outsources at the expense of self-employed people in the UK. I have been told of cases of this now happening.

While I welcome the Government's commitment to hold a review this would need to commence immediately before the new off-payroll working rules come into effect and potentially become a dampener on enterprise and undermine the self-employed. The self-employed are crucial to our prosperity and we should do all we can to support them.

I would be grateful to know the date of the review and if the proposed changes to IR35 will be suspended pending the outcome.

Yours ever