

Tax cut for employers of veterans brought in

A National Insurance contributions holiday for businesses who employ armed forces veterans comes into force today.

The policy, which delivers on the government's manifesto commitment, allows employers to claim National Insurance contributions relief for veterans they have hired during their first year of civilian employment after leaving the armed forces.

The move is part of the government's commitment to make the UK the best place in the world to be a veteran and will help further incentivise employers to take advantage of the wide range of skills and experience that ex-military personnel offer.

Chancellor of the Exchequer Rishi Sunak said:

Today marks another milestone in this government delivering on its promises.

We will always support our veterans, who have risked their own lives to keep our country safe, and this tax cut will give them a crucial helping hand getting them into the workplace after leaving service.

Minister for Defence, People and Veterans Johnny Mercer said:

Veterans have an immense range of skills and unique experience to bring to civilian life.

This National Insurance contributions holiday will reward employers for backing our veterans, while also extending employment opportunities for many talented veterans in this country.

From today, employers will qualify for National Insurance contributions relief for up to 12 months when hiring veterans who are working in a civilian job, during their first 12 months of employment post-service.

FSB National Chairman Mike Cherry said:

This is a loud and clear declaration of support for veterans employment and it's fantastic to see this announcement from the OVA today.

Service leavers have a huge amount to offer civilian employers, and

we'd urge every small employer to consider the value this relief can bring in helping them take on a new member of staff.

We've been pleased to work with Government and X-forces on this relief, giving a helping hand to firms supporting service leavers and boosting job opportunities at this admittedly difficult time for businesses.

While the vast majority of ex-military personnel transition successfully into civilian life, some veterans can struggle with the adjustment. This National Insurance contributions holiday will provide a great incentive for employers to take veterans on. It will support those who have already given so much to this country, and it will help to unleash the great skills and huge potential of our service leavers.

The relief is available to all employers of veterans regardless of when the veteran left the regular armed forces, providing that they have not been employed in a civilian capacity since leaving service. The relief will be available on all qualifying veterans each time they leave HM Armed Forces.

Employers will be able to claim National Insurance contributions relief on the earnings of qualifying veterans. A person qualifies as a veteran if they have served at least one day in the regular armed forces. This includes anyone who has completed at least one day of basic training.

Detailed guidance on how employers can claim back national insurance is available [here](#).