

TAX MONTH ENDING 5TH

CIS REGULATIONS 2005 REGULATION 4(8) · GOV.UK WHAT YOU MUST DO AS A CIS CONTRACTOR

The contractor's name and employer's reference, as registered with HMRC for CIS.

EMPLOYER'S REFERENCE

The subcontractor's name and unique taxpayer reference. For a subcontractor HMRC could not match, also the verification reference with the higher-rate suffix.

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DEDUCTION RATE: 20% OR 30%

One line per payment, or one line for the month's total. The gross amount excludes VAT. Materials are those the subcontractor paid for directly.

DATE PAID	JOB OR INVOICE	GROSS AMOUNT, £	COST OF MATERIALS, £	LIABLE TO DEDUCTION, £	CIS DEDUCTED, £
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TOTAL GROSS, £	TOTAL MATERIALS, £	TOTAL DEDUCTED, £	NET PAID, £
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Given to the subcontractor no later than 14 days after the end of the tax month: by the 19th. Keep a copy with the month's CIS records.

HOW: POST, EMAIL, PORTAL

Not tax advice. Check it against GOV.UK.

GUIDANCE

Working out the deduction, and when the statement is due

Keep this page. It is not part of the statement.

TAX MONTH	STATEMENT	RECORDS
6th to 5th	By the 19th	Three years
The tax month runs from the 6th of one month to the 5th of the next	For 6 May to 5 June, the statement is given by 19 June	Kept for at least three years after the end of the tax year

The deduction

Start with the gross amount of the subcontractor's invoice. Take away what they paid for: VAT, consumable stores, fuel except for travelling, plant hired for the job, manufacturing or prefabricating materials, and materials they paid for directly. Deduct the rate HMRC gave on verification from what is left.

GOV.UK, WHAT YOU MUST DO AS A CIS CONTRACTOR

☐ 20% registered ☐ 30% not registered or unmatched ☐ 0% gross payment status

Evidence of materials

Ask the subcontractor for evidence, such as receipts, that they paid for the materials. Where there is none, estimate the cost of the materials.

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FIRM'S PRACTICE

Who gets a statement

Every subcontractor paid under deduction, for each tax month in which they were paid. It can be sent electronically where the subcontractor has agreed and can store and print it.

CIS REGS 2005 REG 4(8) AND 4(9)

A subcontractor with gross payment status has nothing deducted and is not owed a deduction statement. The monthly return to HMRC is due by the same day, the 19th, and lists every subcontractor paid in the month, gross ones included.

Records the contractor keeps

The gross amount of each payment invoiced, excluding VAT, the deductions made, and where deductions were made the cost of materials invoiced, excluding VAT. HMRC can ask to see them at any time.

GOV.UK, CIS RECORD KEEPING

LOCATION

PROJECT	DOCUMENT CIS statement	REVISION	DATE	PAGE 2 of 2
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