

Report of the Tax Sub-Committee

A meeting was held on 5 November 2024.

Notes of guidance previously circulated to Bursars

Guidance notes or other documents	Date of email
Gerald Eve advice on Valuation Office Agency survey on bednights	10/10/24
Implications for Colleges from the October 2024 Budget	5/11/24
Changes to VAT treatment for online courses	5/11/24

Other matters to report

1. Planned survey on employment status treatment of College roles

The Sub-Committee has asked the College Accountants Group to compile a list of roles where they feel it would be helpful to understand how different Colleges treat the role for employment and tax purposes (i.e. employee/worker/self-employed; payment of salary/wages/honorarium/*ex gratia*; and effectively the risk appetite of Colleges for off-payroll payments for modest or short-term engagements).

2. Overseas working and tax treatment

In 2021, coming out of the pandemic, work was done to highlight the risks and challenges of where College employees worked abroad and particularly the tax implications (in both the UK and the other country). This is a complex matter as the tax rules are different for each country and you need to assess each situation differently as a result. Definitive Government guidance is at:

<https://www.gov.uk/guidance/paying-employees-working-abroad>
<https://www.gov.uk/national-insurance-if-you-go-abroad>

Broadly, if someone is living abroad (always or some of the time), they might be required to contribute to their residential country's social security and pay systems, and Colleges might need (depending on the country) to register accordingly and/or apply to the HMRC for a certificate to exempt this.

Colleges are reminded of these complications and are advised to take a (documented) risk-based approach to this, and to consider carefully the following groups of employees:

- Those who you know have a second home abroad.
- Overseas nationals.
- High-volume travellers.
- Those who have a position also with a university or company abroad.
- Part-time employees, especially if they fit into a category above.

3. HMRC engagement: treatment of taxable benefits

The Sub-Committee noted that progress is being made steadily on the exemption of accommodation for Heads of House, but that HMRC are engaging with requests for further information in different ways in different Colleges. Bursars are reminded that the members of the Tax Sub-Committee can be consulted on such matters and provide context on request.

Dr M Russell
5 November 2024