



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

Rt Hon Mel Stride MP
Chair of Treasury Select Committee
House of Commons
London
SW1A 0AA

18 March 2020

Dear Mel,

Delay of the reform to the off-payroll working rules

As you will have seen, on 17 March the Government announced that the reform to the off-payroll working rules for the private and independent sectors will be delayed for one year from 6 April 2020 until 6 April 2021.

This is part of additional support for businesses and individuals to deal with the economic impacts of COVID-19. It is right that the Government should do whatever it can to support the labour market at this time, including contractors and flexible workers, who are an important part of the economy.

This is a deferral of the IR35 reforms, not a cancellation. The Government remains committed to introducing this policy to ensure that people working like employees, but through their own limited company, pay broadly the same tax as individuals who are employed directly. The changes will be legislated in the forthcoming Finance Bill, to come into force on 6 April 2021.

A handwritten signature in black ink that reads 'Jesse Norman'.

RT HON JESSE NORMAN MP