

SUBBIE .TAX



**CLAIMING A CIS
TAX REFUND**

Did you know that if you are registered on the Construction Industry Scheme (CIS), you could be owed a CIS tax refund? As a self employed contractor you can reclaim many of your business expenses against the deductions that your contractor made from your pay throughout the year.

CIS-registered sub-contractors in the construction industry are entitled to claim tax relief on eligible expenses on their CIS tax return. Many contractors don't realise just how much they are entitled to claim. That's where you need the support of an expert.

Our CIS tax refund guide is here to let you know more about CIS tax refunds, tax returns and the self assessment system.

What is CIS?

CIS stands for Construction Industry Scheme. The Construction Industry Scheme is a method designed by HMRC to collect tax from sub-contracted operatives in the construction industry. The contractor deducts tax directly from the operative's payments, passing them directly to HMRC.

All sub-contractors are obliged to register under the scheme and complete a CIS tax return annually.



Because tax has been deducted 'at source' (In other words, directly from their pay), the sub-contractor is then able to reclaim some of that money to compensate for certain 'allowable' expenses that were paid for throughout the tax year.

What can I claim for on my CIS tax return?

You can claim for a wide range of expenses under CIS. The most common ones for our CIS clients are:

- Business travel – including public transport costs, as well as your motorbike, van or car
- Tools and equipment – and any protective clothing
- Accommodation and subsistence – especially if you have to stay away from home
- Use of your home – including mobile phone bills
- Professional fees – such as insurance, accountant's fees and bank charges

It's a good idea to hold on to your receipts for everything you have to buy, and keep a note of the places you travelled to and dates.



How much CIS tax refund will I get back?

The amount of money you might be able to claim back will depend on a few things:

- Your total income
- How much tax you paid
- What your expenses were

As a rough guide, the average refund we achieve for our CIS sub-contractor customers is around £2300.

What you need to get a CIS tax refund

To complete your CIS tax return you'll need information on all of your income and outgoings.

These include:

- CIS earning records, like pay statements, showing income and tax paid
 - PAYE P60 or P45 certificates, if you've been employed
 - Details of any property or investment income
 - Jobseekers allowance if claimed
 - Receipts or records showing any expenses you incurred
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How do I know if I am in the PAYE or CIS system?

Lots of people in the construction industry are employed by and get paid by one company. This can lead to confusion around whether you are in the PAYE or CIS system, particularly if your income tax is already deducted from your pay before you get it.

The CIS is unique to the construction industry and isn't like any other self employed tax situation.

It is possible that two people working on the same site may appear to have the same working arrangements, but one is in full PAYE employment and the other is working under the CIS.

You need to look carefully at your payslip to see if your deductions are 20% (not 30% unless your contractor doesn't have your UTR number) and if it says 'CIS statement' anywhere.

If you can identify both of these things then your tax is being paid within the Construction Industry Scheme.



CIS tax return services

Subbie Tax specialises in helping self-employed CIS sub-contractors reclaim the tax they are owed. Our excellent reputation is built on:

- Transparent Pricing – We charge a flat fee of £230+VAT
- Simplicity – our process is jargon free and time efficient
- Success – our CIS clients get an average refund of £2300
- No upfront payment – Our payment comes out of your rebate

Get in touch!

Start your tax return today by contacting us via our online contact form below or give us a call on **01670 897407** or email **hello@subbie.tax** to speak to one of our friendly experts.

