



**Isle of Man
Government**

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CONSTRUCTION INDUSTRY TAX DEDUCTION SCHEME
APPLICATION FOR EXEMPTION FOR A COMPANY
MANAGED AND CONTROLLED FROM WITHIN THE ISLE OF MAN

For Official Use

1. NAME OF COMPANY _____

2. TAX REFERENCE _____

3. REGISTERED OFFICE _____

4. PLACE FROM WHICH BUSINESS CARRIED ON _____

5. CONTACT TELEPHONE NUMBER _____

6. NATURE OF BUSINESS _____

7. DATE COMMENCED _____

8. NAME AND ADDRESS OF AUDITOR _____

9. ANNUAL DATE TO WHICH ACCOUNTS PREPARED _____

10. COMPANY OFFICIALS:

(A) FULL NAME OF SECRETARY _____

(B) FULL NAMES AND ADDRESSES OF ALL WORKING DIRECTORS, i.e. NOT NOMINEE DIRECTORS _____

11. WILL YOU BE ENGAGING SUB-CONTRACTORS?

YES / NO

12. WILL YOU BE ENGAGING EMPLOYEES?

YES / NO

I WISH TO APPLY ON BEHALF OF THE ABOVE NAMED COMPANY FOR PAYMENTS FALLING WITHIN THE CONSTRUCTION INDUSTRY TAX DEDUCTION SCHEME TO BE MADE GROSS.

SIGNED _____ DATE _____

COMPANY SECRETARY

CONSTRUCTION INDUSTRY TAX DEDUCTION SCHEME

SUB-CONTRACTOR'S TAX EXEMPTION CERTIFICATES

The tax exemption certificate authorises main contractors to make gross payments (i.e. without any deduction of income tax) to sub-contractors, and is issued by the Assessor of Income Tax on a **concessionary basis**. A sub-contractor's tax exemption certificate will not be issued by the Assessor unless the conditions set out below are satisfied.

Manx companies:

- must not have any outstanding income tax return forms (or related accounts)
- must not have any outstanding income tax, interest, penalties, distributable profits charge or amounts due under the 'loans to participators' legislation
- if registered as an employer, contractor or third party payer on the island, must have all remittance payments and returns up to date, and no other unpaid balances
- each working director will be checked as an individual.

Individuals:

- must have been registered for Manx resident income tax for at least 6 months
- must provide a copy of a current self-employed work permit if applicable
- must be registered for Class 2 National Insurance contributions with the DHSS
- must not have any outstanding income tax return forms
- must not have any unpaid balances of income tax (including payments on account), Class 4 national Insurance (including payments on account), late return penalties or interest
- if registered as an employer, contractor or third party payer on the island, must have all remittance payments and returns up to date.

Withdrawal or refusal of sub-contractor's tax exemption certificates

The Assessor reserves the right to refuse or withdraw an exemption certificate should any of the following circumstances apply:

- if, at any time, the certificate holder fails the relevant compliance checks listed above and fails to bring their affairs up to date when asked
- if, at any time, the Assessor is satisfied that there has been misuse of any exemption certificate issued
- if, at any time, the Assessor considers that the issuing of an exemption certificate would result in there being a serious risk to Government revenue e.g. where there has been a history of business failures and associated non-compliance by any of the applicants.

Subcontractors should note that if a tax exemption certificate is issued, they are still liable to pay income tax via their tax assessment, and it is important that provision is made to ensure that any tax liabilities can be paid by the due date.

Tax exemption certificates contain a **photograph** of the applicant or authorized user. This photograph will be taken by a staff member of the Income Tax Division at the time the application is being made. Alternatively if you are unable to personally attend the Division you may forward a passport sized photograph with your application form.

For further information contact the Income Tax Division on:
(01624) 685400