HMRC - NIM16450 - Workers From Within The European Economic Area Working Within The UK

EEC Council Regulation 1408/71 - Article 13.2(a)As a general rule, Article 13.2(a) of EC Council Regulation 1408/71 provides that any European Community (EC) National employed in the territory of one Member State, is subject to the legislation of that state, even if that person is ordinarily resident in the territory of another state.

This means that a worker who enters the UK to work, is liable for UK NICs from the start of his employment and Class 1A NICs is due from that date if the worker is provided with benefits, but see NIM16455 if the employee is a posted worker.

Example

A worker ordinarily resident in France is employed in the UK by a UK based employer. The worker is provided with benefits chargeable to UK tax. The worker is subject to UK NICs legislation and the employer is liable to pay Class 1A NICs on the benefits provided. Class 1A NICs liability arises from the date the employee enters the UK, providing all the conditions in section 10(1) of the SSCBA 1992 are satisfied, see NIM13021

NIM16500.

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