



102 Frimley House
5 The Parade, High Street
Frimley, Surrey
GU16 7JQ

Tel: 01276 509306

Fax: 01276 761076

Email: info@labourproviders.org.uk
Website: www.labourproviders.org.uk

Briefing Note

PAYE for Overseas Labour Providers without a UK Branch or Agency

On Page 7 of the April 2007 HMRC Employer Bulletin: <http://www.hmrc.gov.uk/employers-bulletin/bulletin26/bulletin26.pdf> there is an article stating:

“The GLA has identified a number of overseas labour providers who are trading without a recognized UK branch or agency.

If you are an employer who uses overseas agents to recruit labour, you need to be aware that where payment to the worker is made by an overseas intermediary then responsibility for PAYE falls to you as UK employer and is not, therefore, the responsibility of the intermediary.

It is vitally important for the employer to check out the PAYE position of any workers he recruits via overseas intermediaries as it is possible, and in some cases highly likely, that he is responsible to operate PAYE for these workers.

Even where a GLA licence is held (or where one has been applied for) this is not a guarantee that the intermediary or agent supplying such labour or services is operating PAYE. If not, then it is the responsibility of the UK (gangmaster) employer.”