

For the majority of employees, their employment status is straightforward in that they have a signed contract of employment and are paid monthly through the payroll system. Tax and National Insurance is deducted at source. However there are occasions where the employment relationship is less clear and these may fall in to one of two categories.

### 1. Office Holder

These are defined as separate and independent positions to which duties are attached. Office holders are not employees, they don't have a contract and they don't get a regular salary. Many office holders positions are statutory appointments and in all these cases, these must be remunerated through the payroll.

### 2. Self employed

The engagement of self-employed workers has to comply with HMRC guidance. Where there is any doubt concerning whether anyone should be remunerated either through the payroll or as self employed by payment of an invoice, the following checklist is intended to help determine self-employed status:

- If the worker runs the business and takes responsibility for its success or failure.
- Has several customers at the same time.
- Can decide how, when and where they work.
- Can hire others at their own expense to help or do the work.
- Provide the main items of equipment
- Is responsible for completing unsatisfactory work in their own time.
- Changes an agreed fixed price for the work.
- Sells goods or services to make a profit.

This is by no means an exhaustive list and if there is any doubt in respect of employment status, it is your responsibility to consider the above points and refer to the HMRC website for more information. This should include use of the employment status indicator by clicking this [link](#).

More information is available on the ACAS helpline on 0300 1231 100.