

Principal Contractor / Sub-Contractor Declaration Form



To be completed by a principal contractor and a sub-contractor who are about to enter into a relevant contract (i.e. A contract which is NOT a Contract of Employment)

Principal Contractor

Sub-Contractor

Name:

Address:

Date of Birth: (if an individual)

Tax Reference Number:

Date on which contract is to commence:

Description of Contract:

Description of materials, plant and equipment to be provided by sub-contractor:

Declaration

We declare that:

- (i) to the best of our knowledge and belief all of the particulars in this form are correctly stated
- (ii) we have read and understand the Revenue Commissioners' guidelines (printed overleaf) on the distinction between a contract of employment (employee) and a relevant contract (self-employed)
- (iii) we have satisfied ourselves that in our opinion the contract described above is not a contract of employment.

Signature of Principal Contractor

Signature of Sub-contractor

DATE

DATE

This form must be retained by the Principal Contractor

PENALTIES

The law provides for heavy penalties for -

- failure by Principal and Sub-Contractors to make this declaration,
- failure by a Principal Contractor to retain this Declaration for inspection by the Inspector of Taxes.

Who is an employee (Contract of Employment)

An individual (whether skilled or unskilled) hired under terms and conditions which include some or all of the following features is normally an employee:

is under the control of the site foreman/overseer who directs how, when and where the work is to be carried out,

does not supply materials for the job,

does not provide plant and machinery other than handtools,

does not engage his/her own helpers,

does not sub-contract the work,

is not exposed to financial risk in carrying out the work,

receives an agreed weekly/monthly wage,

is entitled to extra pay for overtime,

is entitled to sick/holiday pay etc.,

receives country money or expense payments to cover subsistence and/or travel,

is transported from site to site at the expense of the employer,

supplies labour only,

where a contribution is being made to the industry pension and sick pay scheme,

where Union dues are being deducted from payments to him/her,

is employed under conditions which comply with relevant registered agreements.

It should be noted that a worker paid by results (piece worker) is not automatically a self-employed contractor.

Who is self-employed (Relevant Contract)

An individual hired under terms and conditions which include some or all of the following features is normally self-employed:

is in business on his/her own account and provides the same services concurrently to others,

has a fixed place of business to take orders, bookings for contracts, store materials and equipment etc.,

provides the materials for the job,

provides his/her own plant and equipment,

provides his/her own Insurance cover under the appropriate heading e.g. public liability etc.,

is not under the direction or control of the site foreman/overseer as to the method to be employed in carrying out the work,

controls his/her own hours of work in fulfilling the obligations of the contract,

hires helpers at his/her own expenses,

if appropriate is registered for VAT,

is exposed to financial risk by having to bear the cost of making good any faulty or substandard work carried out under the contract or has to meet cost overruns,

is not entitled to overtime pay, sick pay or holiday pay,

is not entitled to receive payment by way of expenses such as subsistence, travel, country money, costs of moving from site to site etc.

It should be borne in mind that a worker who is a self-employed contractor in one job is not necessarily self-employed in the next job.