'BEATERS' – IS THERE REALLY A PROBLEM?

by Julie Butler

WITH the 'tax attack' on shoots focusing on VAT, many shoot organisers are worried about the position concerning the payments made to beaters.

HM Revenue and Customs (HMRC) and the Country Landowners and Business Association (CLA) reached an agreement effective from July 1985 – yes it has been in existence from over 20 years – and the CLA issued a briefing note to its members on September 1, 1997.

The situation is principally this. Please do not bury your heads in the sand as a reasonable agreement has been reached with all parties.

It is only those beaters who are truly engaged on a casual basis to which this treatment can be applied. To be eligible they should not have any other more permanent connection with the estate as any regular employee who chooses to do some beating could not be treated as a daily casual.

The same can be said for a person who does a significant amount of other casual work for the estate.

The agreement does not affect the way in which the employer record is treated with HMRC and there is a similar arrangement in place for casual harvest workers.

Practical problems will arise in trying to operate PAYE procedures for a short-term arrangement and HMRC recognise this.

Most estates will not have more than ten or perhaps 15 days at most

in the whole year on which there will be shooting on a scale requiring beaters and, moreover, the shooting will be taking place at separate intervals.

Where a beater is engaged for one day or less, and is paid in cash at the end of that day with no agreement for further days work, PAYE is not applicable.

National Insurance contributions are a different matter.

If a beater's casual earnings equal or exceed the National Insurance Lower Earnings Limit in any earning period the shoot would be required to keep National Insurance records, deduct both primary and secondary National Insurance contributions, and complete forms P11 and P14.

At the end of the tax year a P35 return giving details of any person who has received in excess of £100 may be required.

All payments made to casuals irrespective of the amount should be recorded. These records will be useful anyway to satisfy the authorities that any PAYE liability does not arise.
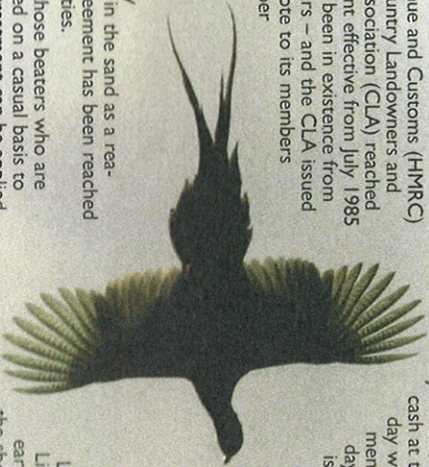
Some local Inspectors of Taxes and PAYE Audit/Compliance officers are unaware of the national agreement, which means employers are targeted for direct settlement of tax and National Insurance. The local tax office should be reminded of the agreement if anyone comes across similar problems.

Key factors revolve around the keeping of names and addresses but with the pressure of Health and Safety, together with insurances, this is required in any event. How can the beaters who are 'truly engaged' on a casual basis deal with the PAYE?

THE 'SERIAL BEATER' - THE TRUE COUNTRY PERSON

This is someone who devotes the whole of the shooting season to beating and picking up and probably spends the whole of the non-shooting season helping with harvest.

Whilst day rates are low particularly, and this is emphasised in torrential

rain, this person can enjoy great camaraderie, hospitality and good income stream but also some fine 'cock' days at the end of the season.

If all the badges of self employment are there this lucky person should consider registering as self employed.

Contract for services

The role of a beater is essentially a contract for services and there are a number of masters (each shoot organiser), some essential tools of the trade like a 4x4 vehicle, a faithful black Labrador, and a large walking stick.

Whilst the beater is not employed and does not have to turn up to every day's shooting, the 'substitution' clause is very important as most serial beaters will provide a substitute.

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• How are beaters affected by tax?

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