

COMMON ERRORS MADE WHEN COMPLETING THE ANNUAL LEVY RETURN FORM



COMMON ERRORS MADE IN PART FIVE: CURRENT YEAR OPTION



Error 1:

Taking the Option and completing figures in Part 7 also.



Note 1:

Employers must not make the mistake of completing both Part 5 and Part 7 of the form. Complete **either** Part 5 or Part 7 and know exactly why you would elect to take 'The Option'. Please read ['The Option Explained' on our website](#).



Error 2:

Taking the Option when the figures for the previous tax year were below the levy threshold of £80,000.



Note 2:

There is no advantage in taking the Option to base the levy on the current tax year if the previous tax year figures were below £80,000.

You could end up having to pay a levy and you will have additional paperwork to complete by the deadlines specified.

COMMON ERRORS MADE IN PART SEVEN: PAYMENTS



Error 3:

Declaring gross figures for PAYE (Pay As You Earn) and/or Labour Only Sub-Contractors (LOSC) that include payments for work activity **outside** Northern Ireland (NI).



Note 3:

Payments for work outside NI should be deducted from the PAYE staff and LOSC figures that are entered on the Return. The legislation, by which CITB NI is governed, states that levy is payable on work undertaken in NI only.



Error 4:

Employers pull the figures for the Levy Return form from their annual accounts.



Note 4:

Employers should not use figures from their accounts - the information should be taken from your monthly CIS returns to HMRC. Your accounts year end could be different from the tax year end and Labour Only Sub-Contractor and levy paying sub-contractors will not be noted on your accounts.

COMMON ERRORS MADE IN PART SEVEN: PAYMENTS



Error 5:

Never estimate your figures.



Note 5:

When you are audited, you may be due to pay additional levy which you have not budgeted for.



Error 6:

Employers include subcontractors who already pay a levy to CITB NI from their figures supplied on the Return Form.



Note 6:

Please note that registered employers must check the list of CITB NI Registered Levy Payers when entering their figure for LOSC. This list is only accessible online with your personal login and should not be shared with others.



Error 7:

Do not include the labour element of any Supply and Fit contractor - they are either Labour Only OR Supply and Fit.



Note 7:

If the materials supplied by the sub-contractor represent 10% or more of the overall payment to the sub-contractor, the full payment is excluded; if not - they are classed as Labour Only and the whole payment must be included.



Error 8:

All your work is outside NI, so you do not need to complete the annual Levy Return form.



Note 8:

Incorrect. All registered employers are required to complete the annual Levy Return form by law, even if declaring a nil return.



Error 9:

Some employers incorrectly calculate the gross PAYE figures by including: Pensions, Employer's National Insurance Contributions (NIC), Sole trader drawings, Partner drawings, Dividends, Redundancy Payments



Note 9:

Correct. PAYE declaration should include: Gross taxable payments made to employees, Payments to working directors (limited companies only), Payments to all construction and non-construction staff (excluding catering staff) for this construction establishment, Payments to trainees, Taxable expenses and all other taxable payments, All bonus payments, Statutory sick and maternity payments that appear on P60s, gross payments to leavers.



Error 10:

Thinking the Levy Return form is junk mail or just ignoring it.



Note 10:

Please do not ignore the annual Levy Return form. You are required by law to complete it. CITB NI has the right to estimate the levy and issue an invoice if the Return is not received by the deadline.

If this invoice is ignored, legal proceedings will be initiated, and the employer will be liable to pay any legal costs incurred, as well as levy.

COMMON ERRORS MADE IN PART TEN: DECLARATION AND DEADLINE



Error 11:

Employers or their Accountants do not complete the Return form before the deadline.



Note 11:

If your Levy Return form or Option Return forms are not submitted by the deadlines, you will miss grant aid available to both Levy Payers and Non-Levy Payers.

If your Accountant is responsible for completing your form, please ensure they are fully aware of our deadline.

Remember, it is your statutory obligation to complete the Levy Return form even if you do not want to claim grant aid from CITB NI.

GENERAL POINTS

- ✓ CITB NI and CITB GB (Great Britain) are separate organisations.
- ✓ Our website is www.citbni.org.uk all information relating to CITB NI is on this site and should not be confused with that of CITB GB.
- ✓ You can complete the Levy Return form online until the last working day in August each year.
- ✓ Alternatively, you can download the hard copy from our website and complete this to avoid being estimated.
- ✓ The hard copy can be emailed or posted but make sure you allow sufficient time if you are posting a Return. CITB NI will not be held responsible for any Return not received. To confirm receipt, call us on 028 9082 5466 or email levy@citbni.org.uk.

