



PROCEDURES FOR VERIFYING SUBCONTRACTORS FOR THE FIRST TIME

Step 1 – Contact HM Revenue and Customs

- This can be done by phone on 0300 200 3210 (Mon-Fri 8am to 6pm)
- Online at www.hmrc.gov.uk/new-cis

Step 2 – Give HM Revenue and Customs the following information

- Your name
- Unique tax payer reference number (10 digit number on HMRC statements, tax return or correspondence)
- Your accounts office reference number

For each type of subcontractor you will need the following information

If they are a sole trader:

- Name
- National insurance number
- Unique tax payer reference number

If they are a partner in a firm:

- Partner's name
- Partner's unique taxpayer reference number
- Partnership name and unique taxpayer reference number
- Partner's national insurance number

If they are a Company:

- Name
- Company unique taxpayer reference number
- Company registration number

Step 3 – HM Revenue and Customs Response

If they can match the subcontractor's details given above, they will advise you whether they should be

- Paid gross (no deductions)
- Net after deducting 20% CIS tax from labour amount only
- Net after deducting 30% CIS tax from labour amount only (Only applies if HMRC cannot match the subcontractor to their records)

Step 4 – HM Revenue and Customs will give you

- A verification number for subcontractors they can match which will look something like V0000543267, or
- A verification number for subcontractors that they were unable to match which will look something like V0000543267/R