



2018 LEVY RETURN

# Guidance Notes

A guide to  
completing your  
Levy Return



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### Legal statement

The law requires employers engaged wholly or mainly in construction industry activities to complete a Levy Return. If we do not receive your Levy Return, we will estimate how much you must pay. If you fail to return it by the due date, we reserve the right to take legal action in accordance with the Industrial Training Act 1982, s6(5).

Can I  
complete my  
Levy Return online?  
Yes, visit  
[citb.co.uk/levyonline](http://citb.co.uk/levyonline)  
to sign up.

For help completing your Return, call  
**0344 994 4455** or email [levy.grant@citb.co.uk](mailto:levy.grant@citb.co.uk)

## How to complete your 2018 Levy Return

### Section 1:

#### Details of your business

Please check the information in this section is correct. If it isn't, amend it.

**It is essential that these boxes are not left blank.**

#### What is my business UTR number?

Your UTR is your 10 digit Unique Tax Reference from HMRC.

#### What is my main activity?

Choose which main activity best represents your business. If it has changed it is important that you detail this on the Levy Return. For a list of main activities, please see pages 16–17.

Section 1 Details of your business	
Contact name	Email
Contact tel no.	Mobile tel no.
Fax no.	Registration No. 11234567 Return by: 30 June 2018 Telephone: 0344 994 4455 Email: <a href="mailto:levy.grant@citb.co.uk">levy.grant@citb.co.uk</a> Website: <a href="http://citb.co.uk">citb.co.uk</a>
VAT no.	
UTR no.	

UTR no. 9876543210
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Main activity
Building maintenance

For help completing your Return, call **0344 994 4455**  
or email [levy.grant@citb.co.uk](mailto:levy.grant@citb.co.uk)

### Section 1a:

#### Membership of employer organisations

Please detail any employer organisations you belong to (for a list, see pages 18–19). We do not pass any financial information you give us to employer organisations.

**Section 1a** Membership of employer organisations  
If you are a member of any employer organisation not listed in this box, please add. A list of many employer organisations is featured on pages 18–19 of the Guidance Notes.  
If you do not belong to an employer organisation, please write 'NONE'.

Federation of Master Builders (FMB)  
Home Builders Federation (HBF)

**DO NOT LEAVE THIS BOX BLANK.** If you don't belong to an employer organisation you should state **'NONE'**

### Section 1b:

#### Full names of sole traders or partners

Only complete this section if your business is not a limited company.

**Section 1b** Full names of sole trader or partners (if applicable)

### Section 2:

#### Establishments

If you have more than one construction establishment, enter the details for each one on page 2 or on a separate sheet attached firmly to your Levy Return.

**Section 2** Establishments (a separate division or part of the business)

Write the total number of establishments included on this form and list their names, addresses, VAT numbers and UTR numbers on page 2 or on a separate sheet.

2

**Section 2 (continued)** Establishments

Please list below all establishments included on this form.

Name of establishment	Address	Postcode	VAT No.	UTR No.
1 DE Demolition	Anchor Industrial Estate, Anytown	AN7 0WN	G812.3456788	987654.3211
2 Evans Homes	123 Business house, Anycity	AN6 1TY	G812.3456787	987654.3212
3				
4				

### Section 3:

#### Payments to employees, including paid directors

Please inform us of your total payments to all employees on your payroll on either a wage or salary. Part-time employees should be counted as appropriate fractions of full-time employees.

**Section 3** Payments to employees, including paid directors

Do not include sub-contractors or agency staff in this section  
Total gross taxable payments you made to employees, including paid directors, before deductions from 6 April 2017 to 5 April 2018.

Amount in whole pounds only  
DO NOT include pence. If nil, enter '0'.

A £ 85666500

Average number of employees on the payroll.

B 42

If you have entered '0' in box A, please tell us why. →

**EXCLUDE** the following from this declaration:

- Pensions
- Sole trader and partner drawings
- Employer's National Insurance Contributions (NIC)
- Dividends
- Payments to self-employed workers, sub-contractors or agency staff.

### Section 4:

#### Construction Industry Scheme (CIS) payments and status

Part of the Levy is calculated based on payments made to net paid (CIS taxable) sub-contractors. Levy will not be assessed on any payments made to gross paid CIS sub-contractors.

**Section 4** Construction Industry Scheme (CIS) payments and status

Have you deducted tax at 30% from some or all sub-contractors paid through CIS from 6 April 2017 to 5 April 2018?

NO  Please complete section 4 only

YES  Please complete sections 4 and 4a

Total tax deducted from sub-contractors paid through CIS from 6 April 2017 to 5 April 2018.

C £ 1156800

We will calculate your Levy on sub-contractors by multiplying the tax in Box C by 5 to reach the gross taxable payment value, this figure will be levied at the approved rate.

Total of all payments (before deductions) to all sub-contractors paid through CIS from 6 April 2017 to 5 April 2018.

D £ 24260200

CIS Status – Please state if your business is paid "Gross" or "Net" when working for a main contractor in the construction industry.

E GROSS  NET

**Section 4a**  
Only complete this section if you answered Yes in section 4 and have deducted tax at 30% from some or all sub-contractors. Please refer to the accompanying guidance notes for further help completing this section.

Total payments made through CIS to taxable sub-contractors, less the cost of materials from 6 April 2017 to 5 April 2018.

F £ 5534000

Do not include payments where tax was not deducted

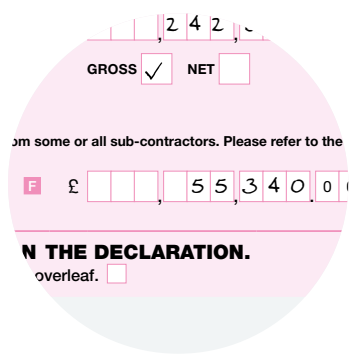
For help completing your Return, call **0344 994 4455** or email [levy.grant@citb.co.uk](mailto:levy.grant@citb.co.uk)



### Box F: Payments to taxable sub-contractors less materials

#### Only complete Box F if you have deducted tax at the temporary rate of 30% from some or all sub-contractors.

Below we explain how we 'gross up' the tax in Box C, the impact this has on sub-contractors taxed at 30%, and how to complete Box F.



**Table A - example of a CIS monthly return**

Name	Verification number	Total payments made (does not include VAT)	Cost of materials (paid for by sub-contractor)	Total tax deducted
123 Building Services Ltd	V115455532	1,000.00	0.00	200.00
456 Electricals Limited	V115465539	5,000.00	0.00	0.00
Steve Taylor	V168891254	1,600.00	600.00	300.00
Totals		7,600.00	600.00	500.00

To keep the example simple we've assumed this employer only has one CIS monthly return.

Box C of the Levy Return should contain the total tax deducted amount of £500. If Box F is blank the Levy will be calculated based on Box C as follows:

- £500 x 5 = £2,500 (multiplying by 5 will gross the tax deducted back up to the taxable amount); then multiply £2,500 by the legislated Levy rate of 1.25% (£2,500 x 1.25% = £31 of Levy).

In Table A sub-contractor Steve Taylor has been taxed at 30%. If Box F is completed the amount of Levy due is reduced.

To complete Box F we need to look at each sub-contractor payment line as follows:

- 123 Building Services Ltd has tax deducted and no materials so £1,000 was taxed.
- 456 Electricals Ltd has zero tax deducted so we do nothing with this line, it is not needed for the Levy calculation.
- Steve Taylor has tax deducted and material costs, so we take the £1,600 and subtract the materials of £600 leaving £1,000, as only £1,000 was taxed.
- Repeat this process for each sub-contractor payment in the tax year, then add the taxed values together. It is this total that goes into Box F.

In our example we use £1,000 from 123 Building Services Ltd plus £1,000 from Steve Taylor giving a total of £2,000 to enter into Box F. The Levy calculation would therefore be:

- £2,000 multiplied by the legislated rate of 1.25% (£2,000 x 1.25% = £25 of Levy).



Please do not subtract the total monthly 'Cost of materials (paid for by sub-contractor)' from the total monthly 'Total payments made (does not include VAT)' as this may result in a higher Levy bill.

For help completing your Return, call **0344 994 4455** or email [levy.grant@citb.co.uk](mailto:levy.grant@citb.co.uk)

## Section 5:

### Declaration

The declaration needs to be signed by a director, company secretary or someone in a similar position of responsibility.

If you are unsure about anything, please refer to the relevant page in this booklet, phone our Customer Operations Team on **0344 994 4455** or email us at **levy.grant@citb.co.uk**

### Fair Processing Notice

The information you provide to CITB will be used to administer the Levy and Grant strictly in accordance with the Industrial Training Act 1982 and for purposes connected with our role as an Industrial Training Board.

Your personal data will be held securely and treated confidentially and **will not** be disclosed to external parties other than as required for the purposes described above or with your approval.

For more information explaining your legal rights and how we use your personal data please view our Privacy Policy online at **citb.co.uk/privacy**

You have a right to request a copy of any personal data we hold about you and to correct any inaccuracies in your data.

CITB may wish to send you information about our products and services as well as provide you with relevant information from selected third-parties. If you choose to receive industry news or information about products and services you should provide your contact details. You can opt-out from future marketing activity at any time by submitting a request in writing to **unsubscribe@citb.co.uk**

**Section 5 Declaration**

The information you furnish to CITB in completing this Levy Return is in accordance with the requirements of the Industrial Training Act 1982 and will be used for purposes connected with CITB's functions as an Industrial Training Board, e.g. for any Levy, Grant or research purposes. The information given on this Levy Return is correct and complete. I agree to retain all supporting information for sections 3 and 4, and understand it may be required for verification.

Your signature *Daniel Evans* Print name DANIEL EVANS

Business name Daniel Evans Building Services Position Managing Director Date 1/6/18

**Keeping in touch with you about CITB's Products and Services**

CITB would like to send you marketing information about our products and services. If you would like to receive this information about products and services provided and supported by CITB via email, telephone or post, please tick the box below. You can opt-out from future marketing activity at any time by submitting a request in writing to [unsubscribe@citb.co.uk](mailto:unsubscribe@citb.co.uk)

Email address d.evans@debsservices.co.uk

Contact telephone number 01234 567890

The declaration is on the back of your Levy Return. Please make sure you complete the declaration before sending it back to us.

## Checklist

Before signing the declaration on page 2 of your Levy Return (Section 5), please check that you have:

- Completed all the relevant boxes
- Checked your business name and contact details
- Amended your business details in the 'Membership of employer organisations' Section (1a)
- Included your directors' wages in Section 3 of the Return if your business is a limited company
- Explained why, if you have declared nil payroll in Section 3
- Put your name and CITB registration number on any continuation sheets and securely attached them
- Written amounts in whole pounds only
- Read the legal statement on page 2.

We recommend you keep a copy of the signed CITB Levy Return for your records.

## It's important to be accurate

Incorrect information is likely to result in a verification visit. Our staff may also visit employers who have not sent in a completed Levy Return. Legislation states that we may ask to see all relevant records.

If you knowingly give incorrect or incomplete information you could be fined, go to prison, or both.

If you have any queries about completing your Levy Return please call our Customer Operations Team on **0344 994 4455** or email us at **levy.grant@citb.co.uk**

## Why do I have to complete a 2018 Levy Return?

Completing your Levy Return is a legal obligation.

It ensures you can access grants and funding for training.

### What about dormant companies?

Dormant companies must still complete an annual Levy Return.

### What happens if I don't complete a Levy Return?

- We will send you an estimated Levy Assessment
- It will affect your entitlement to receive grant payments from us.

### Can anyone other than CITB collect the Levy?

The Industrial Training Act 1982 does not give authorisation to employers to levy any amounts paid to any workers, including subcontractors. If deductions are being made from any payments to you without your consent you may wish to seek independent legal advice.

For further information on unauthorised deductions, please visit: [citb.co.uk/wagededuction](http://citb.co.uk/wagededuction)

### Who should complete a Levy Return?

Every construction employer on our register needs to complete an annual Levy Return providing information about their workforce and wage bill.

## Levy rates

Levy rates applied to the 2018 Levy Return (tax year 6 April 2017 to 5 April 2018).

Levy Return	PAYE	Net paid (CIS taxable) sub-contractors	Assessed
2018	0.35%	1.25%	2019

### Levy exemptions and reductions

2018 Levy Return thresholds		
Small Business Levy Exemption	Less than £80,000	If payments made to PAYE and net paid (CIS taxable) sub-contractors were less than £80,000 you will not pay a Levy but do need to complete a Return.
Small Business Levy Reduction	Between £80,000 – £399,999	If payments made to PAYE and net paid (CIS taxable) sub-contractors were more than £80,000 but less than £400,000 you will receive an automatic reduction of 50%.



More information is available on our website [citb.co.uk/levy](http://citb.co.uk/levy)

## Payment terms

### Can I pay by Direct Debit instalments?

Yes, if you complete your Levy Return on time. A Direct Debit mandate is available on our website [citb.co.uk/levy/paying](http://citb.co.uk/levy/paying)

If you prefer you can pay in one lump sum.

For more information visit  
[citb.co.uk/levysupport](http://citb.co.uk/levysupport)

**If you don't send  
your completed  
2018 Levy Return by  
30 November 2018 your  
eligibility for all 2018/19  
Grant claims will  
be lost.**

## What does the Levy support?

CITB's Levy and Grant system ensures that the British construction industry has the skilled workforce that it needs. The Levy funds that we collect from employers are invested back into the industry through training. This helps to drive up standards to ensure projects are completed safely, sustainably, on time and within budget.

For employers in the construction industry, the Levy means that we can:

- Provide grants to train and develop the skills of their workforce
- Offer high-quality apprenticeships, combining college learning with on-site experience
- Develop occupational standards and qualifications for construction
- Promote the construction industry, encouraging a diverse range of people to enter it
- Carry out research into industry trends and future skills requirements
- Influence Government policy in relation to the construction industry.

### Can I claim grant?

All eligible employers who are registered with CITB and up to date with their Levy Returns can claim grant.

Grant is paid electronically directly into your bank account. If CITB do not have your bank details please complete the Bacs Payment Authorisation Form attached to your Levy Return or email the details to [levy.grant@citb.co.uk](mailto:levy.grant@citb.co.uk) to receive grant.

These bank details will be used only for the payment of grant. They will **not** be used to collect levy payments due.

Please include the following in your email:

- CITB Registration Number
- Business Name
- Account Holder Name (if this is not your Business Name)
- Bank Name
- Bank Account Number
- Bank Sort Code

For more information about grants visit  
[citb.co.uk/grant](http://citb.co.uk/grant)



## List of main activities

- Access equipment
- Access flooring
- Alteration to a building or part of a building
- Architectural steelwork installation
- Artexing
- Asbestos removal
- Asphalt and tar spraying
- Bricklaying and pointing
- Building and civil engineering
- Building repair and maintenance
- Cavity wall insulation, draught proofing or loft insulation
- Chimney lining
- Civil engineering
- Concrete flooring
- Concrete repair
- Conservatories
- Construction labour agency/payroll provider
- Curtain walling/structural glazing
- Damp proofing
- Demolition
- Developers
- Joinery manufacture
- Land drilling
- Leadworking
- Liquid waterproof systems
- Mastic asphalt
- Netting and rigging
- Open-cast coal mining
- Painting and decorating
- Partitioning
- Passive fire protection
- Paving
- Piling
- Plant hire/repair
- Plastering and artexing
- Plastering
- Playground installation
- Powered access
- Preparing/fixing stone for building, including stone masonry
- Rail plant hire and repair
- Railway contracting
- Reinforced concrete

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- Diamond drilling and sawing
  - Directional drilling
  - Dry lining and partitioning
  - Dry lining
  - Erection of timber framed buildings
  - Erection or dismantling of exhibition stands
  - Façade preservation
  - Felt roofing
  - Fibrous plastering
  - Fitted kitchen/bedroom/bathroom installation
  - Flat glass-glazing/emergency boarding up
  - Formwork
  - Garage door installation
  - General building
  - Hard flooring
  - Hard landscaping and paving
  - Hard metal roofing (using copper, zinc, aluminium, titanium, stainless steel and bronze)
  - House building
  - Insulated concrete formwork
  - Insulated enclosure specialists (i.e. cold storage contractors)
  - Insulated rendering/cladding
  - Interior fit-out
  - Joiner and carpenter (mainly site work)
  - Resin flooring
  - Road planing
  - Road safety marking
  - Road surface treatments
  - Roof sheeting and cladding
  - Roofing including slating and tiling
  - Scaffolding
  - Sealant application
  - Shelving and racking
  - Shopfitting
  - Single ply roofing
  - Site preparation or groundworks
  - Sprayed concreting
  - Steeplejack or lightning conductor engineering
  - Suspended ceiling installation
  - Suspended platform installation
  - Swimming pool construction
  - Term maintenance – buildings
  - Term maintenance – roads
  - Tool and equipment hire
  - Tunnelling
  - Underpinning
  - Utilities
  - Wall and floor tiling
  - Window film application

## Membership of employer organisations

We consult regularly with employer organisations, including the Consensus Federations (see list to the right) that represent employers from across the industry on key Levy issues, including Levy rates and thresholds.

Please indicate any employer organisations you belong to in Box 1a. This information enables us to calculate each organisation's level of employer representation. We do not pass any financial information you give us to employer organisations.

**PLEASE DO NOT LEAVE SECTION 1a BLANK.**

If you don't belong to an employer organisation you should state '**NONE**'.



- **Build UK**
- **BWF** British Woodworking Federation
- **CECA** Civil Engineering Contractors Association
- **CPA** Construction Plant-hire Association
- **FIS** Finishes and Interiors Sector
- **FMB** Federation of Master Builders
- **HAE** Hire Association Europe
- **HBF** Home Builders Federation
- **NAS** National Association of Shopfitters
- **NFB** National Federation of Builders
- **NFDC** National Federation of Demolition Contractors
- **SBF** Scottish Building Federation
- **SDF** Scottish Decorators Federation
- **SPOA** Scottish Plant Owners Association

Visit [citb.co.uk/feds](https://www.citb.co.uk/feds) if you would like more information about the federations we work with and their contact details.

## The following federations and associations are members of Build UK\*

- **ACAD** Asbestos Control & Abatement Division
- **ACIFC** Association of Concrete Industrial Flooring Contractors
- **ARCA** Asbestos Removal Contractors Association
- **ADCAS** Association of Ductwork Contractors and Allied Services
- **ASFP** Association for Specialist Fire Protection
- **ASUC** Association of Specialist Underpinning Contractors
- **ATLAS** Association of Technical Lightning and Access Specialists
- **BBSA** British Blind and Shutter Association
- **BCSA** The British Constructional Steelwork Association
- **BDA** British Drilling Association
- **BESA** The Building Engineering Services Association
- **BGA** British Geomembrane Association
- **BWF** British Woodworking Federation
- **CEF** Construction Employers Federation
- **CFA** Contract Flooring Association
- **CONSTRUCT** Concrete Structures Group
- **DHF** Door and Hardware Federation
- **DSA** Drilling and Sawing Association
- **FeRFA** Resin Flooring Association
- **FIS** Finishes and Interiors Sector
- **FPS** Federation of Piling Specialists
- **INCA** Insulated Render and Cladding Association
- **IPAF** International Powered Access Federation
- **NASC** National Access & Scaffolding Confederation
- **NFDC** National Federation of Demolition Contractors
- **NFRC** National Federation of Roofing Contractors
- **PDA** Painting and Decorating Association
- **RIDBA** Rural and Industrial Design and Building Association
- **RSMA** Road Safety Markings Association
- **SAEMA** Specialist Access Engineering and Maintenance Association
- **SPRA** Single Ply Roofing Association
- **STA** Structural Timber Association
- **TICA** Thermal Insulation Contractors Association
- **TTA** The Tile Association

\* This list is accurate at the time of print



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## Questions about completing your Levy Return?

Please contact our Customer Operations Team on **0344 994 4455**  
or email us at [levy.grant@citb.co.uk](mailto:levy.grant@citb.co.uk)

[citb.co.uk](http://citb.co.uk)



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