

2022 LEVY RETURN

Guidance Notes





Can I
complete my
Levy Return online?
Yes, visit
citb.co.uk/levyonline
to sign up.

Contents

How to complete your 2022 Levy Return	3-10
Section 1 – Business details	3
Section 1a, 1b & 2 – Memberships & establishments	4
Section 3 & 4 - Payment to employees & CIS payments	5-9
Section 5 & 6 - Contact details & declaration	10
Checklist	11
Why do I have to complete a 2022 Levy Return?	12
Levy rates	13
Key information including payment terms	14-15
List of main activities	16-17
Membership of Prescribed Organisations	18-19

Legal statement

Employers wholly or mainly engaged in construction industry activities are required 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).

How to complete your 2022 Levy Return

Section 1

Details of your business

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

You will only have a Companies House number if your business has been incorporated as a limited company.

A company is a legal entity with a separate identity from those who own or run it.

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 1a

Membership of Prescribed Organisations

Please detail any Prescribed Organisations you belong to. For a non-exhaustive list, and to find out why we need this information, see pages 18–19.

Section 1b

Full names of sole trader or partners

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

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. If your construction establishment does not currently have a CITB Registration Number, or you do not know this, please leave this column blank.

An establishment is regarded as an entity in a commercial sense of a separate house of business or commercial organisation. It does not include in-house departments, separate office locations, building sites, yards etc.



DO NOT LEAVE THIS BOX BLANK. If you don't belong to a Prescribed Organisation, you should state **'NONE!**

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

Section 2 Establishments (a separate division or part of the business)	
The total number of establishments to be included in your Levy Assessment. Provide their names, addresses, CITB Registration Number and Companies House numbers overleaf.	

Section 2 (continued) Establishments (a separate division or part of the business)					
Provide details of all establishments declared on page 1. Continue on a separate sheet if necessary.					
Name of establishment	Address	Postcode	CITB Registration Number (if known)	Companies House no.	
¹ DE Demolition	Anchor Industrial Estate, Anytown	AN7 OWN	2345678	9876543211	
² Anytown Homes	123 Business House, Anytown	ANG ITY	3456789	9876543212	
3					
4					

Section 3

Payments to employees, including paid directors

Please inform us of your total gross taxable payments made to all employees on the payroll. Please also include payments to any leavers, and furlough payments made under the HMRC Coronavirus Job Retention Scheme (CJRS). Where applicable also include any top up payments made to employees. Part-time employees should be counted as appropriate fractions of full-time employees.

Section 4

Construction Industry Scheme (CIS) payments and status

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

Section 3 Payments to employees, including paid directors Amount in whole pounds only				
Do not include	sub-contractors or agency staff in this sec	tion		Do not leave blank
Total gross taxab including paid dire	le payments made to all employees on the payroll ectors, before deductions from 6 April 2021 to 5 Ap	, A ril 2022.	£	856,665 XX
Average number	of employees on the payroll.	В		4 2
If you have entere	ed '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 (NICs)
- Dividends
- Payments to self-employed workers, sub-contractors or agency staff.

Section 4 Construction Industry Scheme (CIS) payn	nents and sta	atus	Amount in whole pounds only Do not leave blank
Total tax deducted from sub-contractors paid through CIS from 6 April 2021 to 5 April 2022.	C	£	11,568 / p
			Do not leave blank
Total of all payments (before deductions) to all sub-contractors paid through CIS from 6 April 2021 to 5 April 2022.	D	£	242,602 / p
CIS Status – Please state if your business is paid "Gross" or "Net" when working for a main contractor in the construction industry.	E		GROSS V NET
Have you deducted tax at 30% from some or all sub-contractors paid through CIS from 6 April 2021 to 5 April 2022?	NO		Leave Box F blank and continue on the next page
	YES 🗸		Consider completing Box F
Please refer to pages 8-9 of the Guidance Notes for further help completing this section.			Do not leave blank
Total payments, less the cost of materials, made through CIS to taxable sub-contractors from 6 April 2021 to 5 April 2022.	F	£	55340 / p
Do not include payments where tax was not deducted.			

Box C Total tax deducted

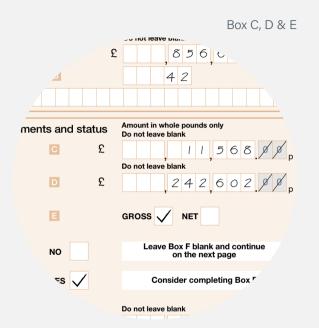
In Box C you can simply add together and declare the 'Total tax deducted' figure from each of the CIS300/online contractor monthly returns that your business submitted in the year to 5 April 2022.

Box D Total CIS payments

Provide the total of all payments (before deductions) to all CIS sub-contractors. This figure can be found in the column headed **'Total payments made (do not include VAT)'** on the 12 monthly CIS300/online contractor returns that you have submitted to HMRC.

Box E CIS status

Please state if your business is paid 'gross' (without CIS tax deducted) or 'net' (with CIS tax deducted) when working for a main contractor.





Box F Payments to taxable sub-contractors less materials

Have you deducted tax at 30% from some or all sub-contractors paid through CIS from 6 April 2021 - 5 April 2022?

Please tick the appropriate response on the Levy Return.

If your response to this question is 'No' then leave Box F blank and proceed to next page of your Levy Return, see page 10.

If the answer to the above is 'YES,' consider completing Box F.

Why is Box F important?

The Levy calculation applied to Box C assumes that all sub-contractors were taxed at 20%.

If the Levy calculation is based on the figure in Box C and some sub-contractors were taxed at 30%, then your Levy bill will be higher than it should be.

Box F is provided to allow you to account for payments to sub-contractors where tax has been deducted at both 20% and 30%. Box F should therefore declare the correct amount of sub-contractor payments liable to Levy so that the Levy Assessment can be accurately calculated.

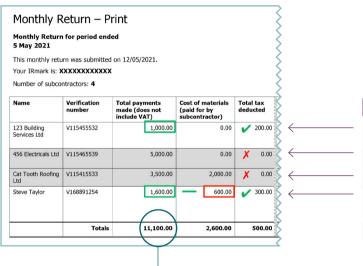
Have you deducted tax at 30% from some or all sub-contractors paid through CIS from 6 April 2021 to 5 April 2022?	NO	Leave Box F blank and continue on the next page
	YES 🗸	Consider completing Box F
Please refer to pages 8-9 of the Guidance Notes for further help completing this section.		Do not leave blank
Total payments, less the cost of materials, made through CIS to taxable sub-contractors from 6 April 2021 to 5 April 2022.	Ε £	55340 /
Do not include payments where tax was not deducted.		



To complete Box F, add together the total payments made to all sub-contractors where you deducted tax, and deduct the cost of their materials (paid for by each sub-contractor) from every line, see next page for an example.

The final figure should include both those taxed at 20% and those taxed at 30%.

Example of a CIS Monthly Return



Calculating Box F	
Tax was deducted at 20% but no material costs. Add the total payments made.	1,000.00
Tax was not deducted. Ignore this line.	-
Tax was not deducted. Ignore this line.	-
Tax was deducted at 30% and there were material costs. Add the total payments made minus the cost of materials.	1,000.00
Box F Total	2,000.00

Do not use the figures from the 'Totals' row, because if you deduct the total 'Cost of materials' from the total 'Total payments made,' they may include gross-paid sub-contractors and result in a higher Levy bill.

Add together the total payments made to each sub-contractor where tax was deducted, subtracting the cost of their materials from each line.

Add this total together and do the same for every month between 6 April 2021 and 5 April 2022, and enter the final total into Box F.

Section 5

Levy contact details

Please amend if incorrect or complete where blank so we can ensure we continue to communicate with the right person.

Section 6 Declaration

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

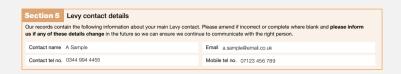
How CITB uses your information

Please read this section of the Levy Return carefully.

Stay up to date with CITB

If you would like to receive marketing information about CITB's products and services, please consider signing up online at **citb.co.uk/opt-in**

You can opt-out from marketing activity at any time by contacting **unsubscribe@citb.co.uk**





Checklist

Before signing the declaration on page 2 of your Levy Return (Section 6), please check that you have: Completed all the relevant boxes Checked your business name and details Included the details of any Prescribed Organisations you belong to at Section 1a Included your directors' wages in Section 3 if your business is a limited company Explained why, if you have declared nil payroll in Section 3 Updated your Levy contact details Put your name and CITB Registration Number on any continuation sheets and securely attached them Written amounts in whole pounds only Read the declaration statement in Section 6. 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.

The law states that we can require you to provide us with Levy Returns and other information we consider necessary to carry out our functions.

If you don't complete your Levy Return or don't provide us with the records and information we request, you may be fined. If you knowingly or recklessly give false information, you may be fined, go to prison, or both.

Why do I have to complete a 2022 Levy Return?

Completing your Levy Return is a legal requirement.

It ensures you can access grants, funding and other support for training.

The legislation enabling CITB to raise the 2021 - 2023 Levy Assessments is due to come into force in May 2022. The Levy rates to be applied will be confirmed in this legislation.

What about dormant companies?

Dormant companies must still complete an annual Levy Return. Please complete the form ensuring you give the reason for nil payroll as 'Dormant' in Section 3 or alternatively clearly mark on the form 'Dormant' ensuring you complete the declaration in Section 6.

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
- You may be selected for a CITB verification
- You may be fined.

Can other employers collect the Levy?

No – CITB is the only organisation authorised to impose, assess, withdraw, amend and recover the Levy.

For further information on unauthorised deductions, please visit: **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

Proposed Levy rates to be applied to 2022 Levy Return are:

Levy Return	Payments made to employees on the payroll	Net paid (CIS taxable) sub-contractors*	Assessed
2022	0.35%*	1.25% *	2023

Levy exemptions and reductions

For the 2022 Levy Return, if your total wage bill including payments made to net paid (taxable) CIS sub-contractors exceeded the Small Business Levy Exemption threshold of £120,000, you will be required to pay a Levy.

The exemptions and reductions to be applied to the 2022 Levy Return are:

2022 Levy Return thresholds*				
Small Business Levy Exemption	Less than £120,000	If payments made to employees on the payroll and net paid (taxable) CIS sub-contractors were less than £120,000 you will not pay a Levy but do need to complete a Levy Return		
Small Business Levy Reduction	Between £120,000 - £399,999	If payments made to employees on the payroll and net paid (taxable) CIS sub-contractors were £120,000 or more but less than £400,000 you will receive an automatic reduction of 50%		

^{*}Levy rate and Levy exemptions and reductions to be confirmed in May 2022.



For more information visit citb.co.uk/levy

Key information

Levy deadline

Please complete and return your Levy Return to us as soon as possible.

If you don't send your completed 2022 Levy Return by **30 June 2022**, any outstanding grant payments due to you will be withheld. If you don't send your completed 2022 Levy Return by **30 November 2022**, your eligibility for all 2022/23 grant claims will be lost.

Failure to submit a completed Levy Return will result in your 2022 Levy Assessment being estimated and may be higher than one based on a completed Levy Return.

How much will my Levy Assessment be?

To help you see what your CITB Levy may look like in relation to the 2022 Levy Return we have produced a simple calculator. This calculator will give you a guide to what Levy your organisation may pay including instalments if using direct debit payment option.

Find this at citb.co.uk/levycalculator

Payment information

The 2022 Levy Assessment is due to be raised in April 2023 and you should receive your Levy Assessment notice shortly after, confirming your Levy Assessment and payment date.

Can I pay by Direct Debit instalments?

Yes, if you complete your Levy Return on time.

A Direct Debit mandate will be included in your Levy Assessment Notice and is also available on our website citb.co.uk/levypayment

If you prefer, you can pay in one lump sum.

How we use the Levy

CITB's Levy supports the British construction industry to develop the skilled workforce it needs.

CITB uses the Levy to:

- Support training and development through grants and funding
- Promote the construction industry as a great career choice and offer high-quality apprenticeships
- Identify skills needs across the construction industry
- Develop occupational standards and qualifications.

For more information visit citb.co.uk/levysupport

Can I claim grants?

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

Grants are paid electronically into your bank account. If we do not have your correct bank details, please submit them online at **citb.co.uk/send-your-bank-details**

For more information about grants visit citb.co.uk/grant



List of main activities

- 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 and/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
- 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
- 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)
- Joinery manufacture
- Land drilling
- Lead working
- 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
- Playground installation
- Powered access
- Preparing and fixing stone for building, including stonemasonry
- Rail plant hire and repair
- Railway contracting
- Reinforced concrete
- 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
- Shop fitting
- 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
- Tool and equipment hire
- Tunnelling
- Underpinning
- Utilities
- Wall and floor tiling
- Window film application

Membership of Prescribed Organisations

We consult regularly with the Prescribed Organisations, (listed to the right) that represent employers from across the industry on key Levy issues, including Levy rates and thresholds.

A Prescribed Organisation refers to an organisation that will collectively speak on behalf of its members with respect to Levy proposals. This is likely to be a construction trade association or federation you are a member of.

Please indicate any Prescribed Organisations you belong to in Section 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 Prescribed Organisations.

PLEASE DO NOT LEAVE SECTION 1a BLANK.

If you don't belong to a Prescribed 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

The following federations and associations are members of Build UK*

- ACAD Asbestos Control & Abatement Division
- ACIFC Association of Concrete Industrial Flooring Contractors
- 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
- BCSA British Constructional Steelwork 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
- CPA Construction Plant-hire Association
- DHF Door and Hardware Federation
- DSA Drilling and Sawing Association
- EPIC Engineered Panels in Construction
- FeRFA Resin Flooring Association

- FIS Finishes and Interiors Sector
- FPS Federation of Piling Specialists
- HAE Hire Association Europe
- INCA Insulated Render and Cladding Association
- IPAF International Powered Access Federation
- NAS National Association of Shopfitters
- 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
- 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

Questions about completing your Levy Return?

Please contact our Customer Operations team, call **0344 994 4455** or email: **levy.grant@citb.co.uk**

citb.co.uk

