

Frequently asked questions on tax relief for healthcare staff in the National Health Service, private hospitals and nursing homes

1. What is the background to this issue?

Securing tax relief on UNISON subscriptions for qualifying health professionals comes after a long campaign. Our aim was to restore a level playing field for those UNISON members working alongside members of organisations such as the Royal College of Nursing (RCN) and Royal College of Midwives (RCM) who already enjoyed tax relief on their subscriptions.

In order to earn recognition for tax relief from Her Majesty's Revenue and Customs (HMRC) the activities of an organisation have to be mainly directed at helping members of a profession to do their jobs better.

Following extensive negotiations with HMRC, UNISON earned recognition for tax relief for members working in the following UNISON healthcare sectors:

- Nursing sector
- Ambulance sector
- Voluntary sector
- Professional and Technical 'A' sector
- Professional and Technical 'B' sector
- Senior and General Manager sector

More details of the job roles that come under each of these sectors can be found on the Claim Form.

HMRC determined that these "approved sectors" are, in the main, directed toward the development and promotion of education, knowledge and professional standards and therefore qualify for tax relief.

Currently, members of the Administrative and Clerical, and the Ancillary and Maintenance sectors do not qualify for tax relief. UNISON believes that HMRC has taken a narrow view on defining what roles are 'professional' and UNISON is continuing to make representations on behalf of our members in these sectors.

2. Am I eligible to claim?

UNISON members within the "approved sectors" may claim 70% of their UNISON subscription against their taxable employment income.

If your tax affairs are in order you could receive a cheque giving you a tax refund for any previous years that you have paid a UNISON subscription (4 years prior to the current tax year) and HMRC will make an adjustment to your PAYE Code for future years.

Remember, you must only claim relief on UNISON subs paid by you whilst you were a member of one of the approved sectors above.

You are responsible for the accuracy of claims that you make so in future, if you move into or out of an approved sector you should advise your tax office and only claim relief for subscriptions paid during the period in which you were in an approved sector.

Note: If you are a member of the British Association of Occupational Therapists you do not pay a subscription directly to UNISON. Please contact BAOT for information on how you can claim tax relief on your subscription.

3. How do I make a claim?

Simply complete the claim form which can be downloaded as a resource from www.unison.org.uk/tax-claim_form/ or by telephoning UNISON on 0800 0857 857.

If you complete a Self Assessment Tax Return, you can make a claim on the return itself. Turn to the Employment Page and enter the amount eligible for tax relief under the 'Professional Fees and Subscriptions' section.

4. What does it mean financially?

Your personal tax position depends on a number of factors so this response can only be given in general terms.

Tax relief applies to 70% of your annual UNISON subscription. This means that if you pay annual subscriptions of £138 you will be entitled to tax relief on (£138 x 70%) £97.

To avoid confusion we need to stress that your entitlement is tax relief on £97 and NOT a tax refund of £97.

If you pay tax at the basic rate of 20% this will give you an annual saving of £19.40

These figures are for illustration only and the situation for individual members will obviously depend on the period during which they were members of an approved sector, the amount of subscriptions paid and the rate at which they are liable to income tax.

5. Why do only 70% of my UNISON subscriptions qualify for relief?

Trade union activities such as negotiating, representing members on individual cases and campaigning on terms and conditions don't qualify for tax relief. HMRC are entitled to grant partial relief where the organisations have objectives and activities some of which qualify and some of which don't. We believe that 70% is reasonable, given the nature of our organisation.

6. What if my subscriptions change during the year?

Your claim for each tax year should be in respect of the subscription paid in that year so if the monthly amount has changed during the year it is important that you calculate the annual amount accurately when completing the claim form and/or your tax return.

As far as future years are concerned, HMRC will include an amount in respect of the estimated relief due in calculating your PAYE tax code number so you should advise your tax office of any increase or decrease in your annual subscription promptly, so that any necessary adjustments can be made.

7. What if I cease to be a member?

If, for any reason, you cease to be a member of UNISON you should advise your tax office so that HMRC can amend any relief that has been included in your PAYE tax code.

8. Can I apply for tax relief on the costs of my uniform or professional registration fees?

As a health care worker, you may be able to claim tax relief on the costs of maintaining your uniform and the costs of registering with professional regulators, such as the Nursing and Midwifery Council (NMC), Health and Care Professions Council (HCPC) and the General Pharmaceutical Council (GPhC). You'll need to apply for this separately to the tax relief on your UNISON subscription. To help find out if you can claim and how to do so please read the guidance and claim form.

9. What if I need further information or help?

Further information and help can be obtained from the UNISON website - www.unison.org.uk - or by contacting your local UNISON branch office. You can use our branch finder to find out which branch you are in: <https://branches.unison.org.uk/>.