HMRC Guidance for Equity, Stage Management Association, Society of London Theatre and Theatrical Management Association

Stage Management – London West End and Provincial Theatres

Background

An agreement was reached between Inland Revenue (as it was then), Equity and the Theatre's National Committee in 1994 that stage managers, deputy stage managers and assistant stage managers who enjoyed similar terms of engagement to actors and who carried out their profession in the same way would be subject to the Revenue Guidance on the Tax Treatment of Theatrical Performers/Artists, published on 31 August 1994. This was on the understanding that, in addition to their normal duties, there was an expectation that stage management personnel at every level would, where required, undertake to perform understudy duties in rehearsals or appear on stage in costume or in blacks.

Where the relevant conditions were satisfied stage management would be accepted as falling within the *McCowen & West* criteria, as described in the above guidance, and, therefore, self employed for tax purposes but normally liable to Class 1 NICs.

It had become increasingly apparent to HMRC over the intervening years that in some cases there was no contractual obligation or any expectation for stage managers to appear in productions in practice and HMRC raised those concerns at a recent meeting with Equity.

Revised Guidance

At that meeting the various stage management roles in theatre productions were discussed as well as the results of a recent Equity survey of stage management members and consequently HMRC has issued the following supplementary guidance to ensure that the correct tax treatment is applied to stage management for the future:

"Stage management will continue to be considered as entertainers in accordance with tax and NIC legislation where they are required to undertake stage management duties as a company and stage manager (dual role), stage manager, deputy stage manager or assistant stage manager in accordance with a standard Equity contract. It is understood that within the Equity terms they may be required to carry out stage management duties in a performance on stage, in costume or may be required to wear blacks.

An engagement solely as a company manager will not be considered an entertainer and, therefore, will be subject to the normal status rules.

Any non-standard contracts will be considered on their own merits and in any case where the contractual requirement to appear on stage is overridden by agreement or through custom and practice the status should be determined by the normal case law process. See HMRC guidance on the HMRC web site at http://www.hmrc.gov.uk/employment-status/index.htm.

The guidance notes for Theatrical Performer/Artists only apply where the stage manager, deputy stage manager or assistant stage manager is engaged for no longer than the run of a production or a short fixed period and do not apply to permanent (or long term) engagements.

If any individual stage management member is unsure whether a Particular engagement meets the HMRC criteria to be considered an entertainer they should seek advice from their Equity or Stage Management Association representative or ring the HMRC Helpline on 0845 9154655 and ask to speak to a member of the Employment Status Customer Service team.

HMRC Contact

If any **West End theatre producer/production company** is unsure whether the particular engagement of a stage manager, deputy or assistant is within the HMRC criteria to be considered as an entertainer they should contact:

Film & Production Industry Unit Floor 2
Weardale House
Washington
Tyne & Wear
NE37 1LW
Tel: (0191) 419 8800/8813
(If their PAYE employer reference begins 120 or 905)

Or

TV Broadcasting Industry Unit 4th Floor
Trinity Bridge House
2 Dearman's Place
SALFORD
M3 5BH
Tel: (0161) 261 3254/3255/3691
(If their PAYE employer reference begins 951)

If any **provincial theatre producer/production company** is unsure whether the particular engagement of a stage manager, deputy stage manager or assistant stage manager is within the HMRC criteria to be considered as an entertainer they should ring the HMRC Helpline on 0845 7143143 and ask to speak to a member of the Employment Status Customer Service team.