

Archaeology & the Construction Industry Scheme

Since 2004, in the United Kingdom, the Construction Industry Scheme has been in place to regulate tax payments between contractors and sub-contractors for construction work. Sub-contractors need to be registered with the scheme or face payments being retained in lieu of tax by main contractors. **Archaeological work is not covered by this scheme.**

However, occasionally, a contractor will refuse to pay an archaeology organisation because they are not registered. The HM Revenue and Customs guidance is that professional services (like archaeology) are excluded from the scheme. It should be enough to reference this exclusion in the HMRC guide:

'The work of other professionals is excluded only if they are acting purely as consultants. Typically, this would include the production of designs, plans, technical assessments and reports relating to construction projects including site testing. Any work that goes beyond a consultative or advisory role and becomes the supervision of labour or the co-ordination of construction work using that labour is not excluded from the scheme' - Section A27 and C3 of the *Construction Industry Scheme, Guide for contractors and subcontractors, CIS340*.

<https://www.gov.uk/government/publications/construction-industry-scheme-cis-340/construction-industry-scheme-a-guide-for-contractors-and-subcontractors-cis-340>

As long as an archaeological organisation has not agreed to undertake non-archaeological work that might qualify under the scheme, like a principal contractor role, they will not need to be in the CIS scheme.

Version 1.1. FAME advice notes are not designed to replace existing, detailed guidance available from the HMRC, and must always be used in conjunction with that guidance. All advice given is based on the best available knowledge when this document was produced. March 2021.