



UK Immigration Q&A

Lunch & Learn Series

1. **Do you expect any long-term impact to immigration due to Covid-19?**

It is likely that there may be increased medical checks, such as Covid testing pre travel, to try to manage any future global outbreaks. It is possible to speculate that we may also see greater dependency on online/virtual systems to limit person to person contact and allow visa centres to meet social distancing guidelines if these are still in place at the time. Covid-19 may also change the way in which organisations work, with remote working more widely promoted. This may see some changes in relation to compliance and record keeping for sponsors although this is also speculation at this time.

2. **Will there any impact on the Brexit timetable?**

Currently not. The EU Withdrawal bill has now been passed and is paving the way for the end of the transitional period on 31 December 2020 and the subsequent implementation of the new Points Based System. Any EU nationals arriving in the UK from 1 January 2021 will be subject to the new immigration regime.

3. **Can you foresee any relaxations on the Posted Workers rules, reporting or deadlines across EU to assist trade within the EU?**

Will there be a change to salary thresholds under the new PBS? Yes, the minimum salary thresholds will be lowered to accommodate the lowering of the RQF Level from 6 to 3, opening up the scheme to a wider range of migrants. The proposed minimum salary threshold for what is going to replace the current Tier 2 General has been stated as £25,600 for experienced workers. Those who qualify as "new entrants" to a profession may qualify with a lower salary of £20,480. However, in all cases points awarded for salary will need to be combined with points for the job role, qualifications etc. to make up the minimum points required.

4. **Is the intra England France Bubble likely to happen? If so how will that work?**

No this is now unlikely although talks of "air bridges" with France, Greece and other countries are being mentioned in the media. At present the intention of the UK government is to impose a mandatory 14-day quarantine period to all new arrivals into the UK from the start of June. There are likely to be minimal exceptions to the quarantine requirements but as yet no further information or guidance has been provided.

5. **I have an employee that was due to start their new job on 1 April in Spain for a Spanish based employer. Because of the Virus they have had to remain in the UK, but have started the role anyway, working remotely. How does this affect their tax position?**

It is important to remember that income tax is generally due in the country where the employee is situated, and not where the employer is based. Remote working like this is becoming more "the norm", but it will have compliance implications for both the employee and employer. In this case the individual will have expected to be taxable in the UK up to the start of the new job, but as they have had to remain in the UK then they will continue to be liable to UK tax (and not to Spanish tax) until they actually move there. The same will apply for social security/NIC. The complication for the employer is that they are obliged to run a payroll to collect and pay over this NIC (and they are liable for the employer NIC), and if they don't have a UK entity to do this for them there will be some extra costs involved. Tax may also be required to be deducted via a UK payroll, although this will depend on the company group structure and whether there is a UK entity.

6. **I have some employees that normally work in France but have come back to the UK and are now on Furlough. I know that the furlough payments are taxable but should they be taxed here in the UK or in France?**

The OECD has recently provided guidance on this specific point. Their view is that the furlough payments are similar in nature to termination payments and as such they should be sourced to the location where the employee would have been performing their duties if it were not for the termination/furlough. So in this case the payments it is possible that the payments will need to be taxed in France.