

[5.1.2] Tax treatment of payments to Veterinary Practitioners engaged in Bovine Tuberculosis Eradication Programme

The Department of Agriculture Food and the Marine (DAFM) implements a Bovine Tuberculosis eradication programme, the principal elements regarding Veterinary Practitioners are as follows:

- (1) Any Veterinary Practitioner may apply to carry out bovine Tuberculosis testing work under contract to DAFM and the contract is subject to annual renewal (ER4). A Veterinary Practitioner who is **not** on DAFM's approved list may not legally conduct TB testing.
- (2) The herd keeper/farmer nominates the Veterinary Practitioner who conducts veterinary work for the herd and DAFM has due regard to that nomination when scheduling and listing testing that is to be paid for by the herd keeper/farmer. DAFM reserves the right to have the testing conducted by a Veterinary Practitioner of DAFM's choosing.
- (3) Any Veterinary Practitioner carrying out testing work must, by legislation, clear his/her proposed itinerary in advance with the DAFM.
- (4) The Veterinary Practitioner who carries out the test will be held accountable for any deficient or unsatisfactory testing.
- (5) The overall performance of a Veterinary Practitioner will have a strong bearing on the amount of testing to be allocated to him/her in the future.
- (6) The Veterinary Practitioner who carries out the test on behalf of DAFM or who detects disease at a test which otherwise would be paid by the herd keeper/farmer, will be paid the appropriate fee by DAFM to an account nominated by the practitioner.

Any Veterinary Practitioner who engages in testing on the basis set out at (1) - (5) above is chargeable to tax under Case II of Schedule D in respect of those earnings.

However, in circumstances where the Veterinary Practitioner is an employee who is employed by a principal Vet. and receives the fee in their capacity as an employee, then the practitioner may arrange for payment of the testing fee to the practice. In return, s/he may be paid either an increased salary or a percentage of the fee. In such circumstances the income of the testing Veterinary Surgeon in respect of the testing work will be chargeable to tax under Schedule E.