Welcome to December’s Technical Newsdesk

Welcomes

01 December 2017

December is the beginning of advent.

It’s the time when my children (now teenagers) seem to forget they’re growing up and still look forward opening the windows on the advent calendar – no doubt motivated by the sliver of chocolate which will become an extra part of breakfast until Christmas.

The Oxford English Dictionary defines advent as ‘The arrival of a notable person or thing’ and ‘The first season of the Church year, leading up to Christmas and including the four preceding Sundays’. In the field of taxation, the first definition is particularly relevant as we observe the advent of the Agent Services Account (ASA). The ASA has been a long time coming, and many readers will have watched the Agent Services Talking Points webinar on 29 March 2017, which set out who would need an ASA, what it would look like, and so on. This can still be viewed on GOV.UK and, although over seven months old, is still worth watching to understand some of its main features. After all, the ASA will be the single, firm-wide registration for an agent for Making Tax Digital, so it is important to see what’s ahead and start planning accordingly.

Unfortunately, for reasons not entirely apparent, HMRC requires agent access to the Trust Registration Service (TRS) to be effected through the ASA, which means that most agents with trust and estates clients will have to register for an ASA for the first time before being able to access the TRS. This has caused significant disruption in what is for many firms an incredibly difficult period. So, the TRS and ASA is quite rightly our first article this month. So what else is in this month’s edition?

Also of particular importance is ensuring clients can pay any outstanding tax (or payments on account) by the 31 January deadline. HMRC are withdrawing the ability

to pay taxes at the Post Office and from personal credit cards, so clients who typically use these methods to pay their tax bills should be alerted as soon as possible.

As we move to a single, annual fiscal event, we have an interesting period of looking forward to a Winter Finance Bill, expected to be published in December, and looking back at measures enacted in Finance (No 2) Act 2017. In relation to the former, in September 2017 the government published draft clauses for inclusion in the Winter Finance Bill, and the CIOT submitted comments in relation to some of the employment taxes and 'non-dom' measures, and we highlight the key elements of our submissions. Then looking back at the Finance (No 2) Act 2017, we highlight the risks of indigestion (problems) which might be caused by the new Trading and Property Allowances (TAPAs – sorry, the authors' analogies are much better than mine!). Looking even further back, to Finance Act 2016, we find the company winding up Targeted Anti-Avoidance Rule (TAAR), but on which the HMRC guidance was only published in July 2017 (15 months after the TAAR came into force), and again we highlight the problems this is causing, and what we are doing to address this.

There should be something for everyone in the remainder of Technical Newsdesk. We report on our first meeting with the Office of Tax Simplification's to discuss its review of replacing capital allowances with depreciation, our reaction to and work on the Customs Bill White Paper and the draft legislation published for the Fulfilment House Due Diligence Scheme, and an update on devolved taxes in Wales.

Whilst many CIOT and ATT members work in practice, there are a large number of members who work in commerce and industry. In recognition of that, and in response to requests from members, guidance has been published on matters such as the role of the Senior Accounting Officer, and what to do if you find an irregularity in your employer's tax affairs. Finally, we have a number of articles from LITRG highlighting their report on the self-employment and universal credit, and their recent submissions in relation to pensions freedom, and possible extension of the Gangmasters Labour Abuse Authority licensing system.

Whatever advent means to you this December, the technical teams of CIOT, ATT and LITRG would like to wish you an enjoyable festive season, notwithstanding the challenges of the TRS and the self-assessment deadline!

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