Welcome from the editor, January 2018

Welcomes

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Pasta and beans!

Not all students live on a diet of pasta and baked beans! Some international students have substantial overseas wealth and need to understand their obligations in terms of submitting tax returns and paying tax in the UK. Naomi Wells provides guidance on the challenges faced by wealthy students studying in the UK.

Transaction in Securities

The Transaction in Securities legislation continues to be relevant for individuals extracting value from private companies including private equity structures. Tom Klouda and Andrew Herring consider the broadening in scope of the Transaction in Securities legislation. They note that taxpayers extracting cash from private businesses should continue to take extra care, when considering structures with an international element.

National Minimum Wage

The National Minimum Wage and National Living Wage has become a central business risk to address. Given this, all businesses need to have an understanding of how they manage and comply with the National Minimum Wage regulations. Ian Goodwin and Jon Claypole provide a timely update on the current status of the National Minimum and National Living Wage.

Understanding taxpayer behaviour

Evasion and sharing economy non compliance occur for many reasons including ignorance of tax obligations, a belief that HMRC will never find out and that, even if they do, the consequences are immaterial. Helen Adams considers the findings of research commissioned by HMRC into tax evasion and the sharing economy and what more could be done to improve compliance.

Tax case reviews

The view has arisen in recent years that holiday lettings are investment, for inheritance tax purposes, so that business relief is not available. A recent case about livery stables casts doubt on this approach.

Anthony Nixon examines the instances where business relief is available for investment properties. Anthony highlights the importance of considering every business on its own facts, and not to accept generic descriptions suggesting that some kinds of business are investment and that others are not.

Keith Gordon considers a recent judicial review claim concerning the extent to which taxpayers can rely on the contents of HMRC's manuals.

What the case confirms is that a legitimate expectation claim is likely to fail if the taxpayer cannot show that they acted to the detriment of relying on the representation made by HMRC material. One particular helpful aspect of the judgement is that it gives pointers that should allow similar claims to be more successful.

Chris Jones RIP

I share memories of a unique chartered tax adviser, to quote Giles Mooney; 'One of the greatest compliments you can ever pay someone is to try to copy their approach, the second is failing to achieve the first. With Chris I did both!'

Chris Mattos
Editor-in-Chief