Welcome to the March Technical Newsdesk

Welcomes

01 March 2018

Avid readers of Technical Newsdesk may recall my introduction to the November 2017 issue, in which I set out the structure and operation of the CIOT, ATT and LITRG technical teams, and how you (yes, you!) could get involved with our work.

Well, if that wasn't enticing enough, we have decided to run a series of 'spotlights' on the work of our various sub-committees (not to be confused with HMRC's spotlights on tax avoidance schemes!). Our first article looks at the recent work of the CIOT's Management of Taxes (MOT) sub-committee. The remit of this sub-committee is very broad, covering all aspects of taxes management and administration including matters such as HMRC powers, dispute resolution and litigation, HMRC's tax agent strategy, making tax digital, offshore tax evasion, tax avoidance, tax evasion and the hidden economy. Much of this is front page stuff, and Margaret, the Technical Officer for MOT, gives further detail of its work.

If you've lost track of what Finance Bill/Act is what, that's perfectly understandable. We're looking forward to a more manageable fiscal cycle when the new budget timetable settles down, but in the meantime George gives us a round-up of where we are with Finance (No.2) Bill 2017-19, and our work in this area. Clause 14 of the Bill introduces a new risk to capital condition for EIS, SEIS and VCTs, and Emma highlights HMRC's draft guidance and some of the complexities of the new rules.

Perhaps quite timely that my new smartphone has arrived today (bringing me closer to the 21st century!) as Sacha then looks at the ongoing debate around taxation of the digital economy, and we stick with the international theme as Margaret summarises our response to the OECD's recent public discussion draft paper on mandatory disclosure rules for addressing CRS avoidance arrangements and offshore structures. The time ticks away fast for when the UK will leave the EU, and

Angela explains why we shouldn't ignore what is colloquially referred to as the 'customs' Bill, but which has far-reaching impacts on VAT and excise too. Even though we're leaving the EU, we cannot start to ignore EU rules. Many businesses who trade internationally do so with the EU, and Jayne summarises the European Commission's proposals for the creation of a single EU VAT area. We stay with VAT as Jayne also explains the CIOT's work around the proposals to introduce a domestic VAT reverse charge to combat fraud in the construction sector.

On the subject of fraud, there seem to be so many 'scams' around, with fraudsters pretending to be HMRC and duping people to give up bank details, or part with large sums of money. HMRC give tips on how to recognise genuine HMRC contact, but what about when HMRC call agents, or vice versa? How does either party know the caller is legitimate? Well, in response to concerns raised by CIOT/ATT and other professional bodies, HMRC has issued guidance on new security procedures to follow when HMRC need to arrange a call back, or when they make an unexpected call to agents about their clients. Margaret and Helen set this out, and invite feedback on how this process is working.

Looking back to see how new measures are working in practice is a vital step in evaluating its success, yet is often overlooked by HMRC. Meredith takes a look at the recently published post implementation review of the RTI system, with a particular focus on the benefits system. Meredith and Victoria then highlight the important tax reliefs that can come to holders of a blue badge, before Victoria updates us on the tax-free childcare scheme.

Last, but certainly not least, Joanne gives an update of our recent work in Scotland, including matters such as LBTT and the impact of the proposed rates and bands for Scottish income tax.

Reflecting on all the above, this is an absolute smorgasbord (what a great word!) of issues this month, surely something to suit everyone's tastes.