Welcome to the April Technical Newsdesk

Welcomes

01 April 2018

I had planned to start my introduction to Technical Newsdesk with an explanation of the history of April Fools' Day and/or why the tax year runs from 6 to 5 of April each year: two important dates in April (and not to be confused with each other). However, it seems that they are either as complicated, or nuanced, as some of the most complex tax measures, so if you are interested I will let you investigate at your leisure.

Either way, we are now well into the spring, and I'm writing this on the afternoon of the Spring Statement – something I simply would not have had time to do under the previous fiscal calendar. OK, I know, this is the first Spring Statement we have had, but Autumn Statements have historically been remarkably similar to a second Budget event, with numerous tax measures and rabbits from hats. We are pleased that the Chancellor has stuck to his promise of a single fiscal event, something we recommended in last year's 'Better Budgets' report, and announced just a handful of consultations and calls for evidence – more on these next month.

Turning to this month's Technical Newsdesk, we start with the second in our series of 'spotlights' on the work of our various sub-committees, this month focusing on our Owner Managed Business (OMB) sub-committee. Its remit covers all aspects of small business taxation, and often works in conjunction with other technical sub-committees, and the Office of Tax Simplification, and if you are involved or have an interest in this area, we'd love to hear from you. We are also delighted to announce the creation of a new Welsh Technical sub-committee, to coincide with the new Welsh Taxes 'going live'. Again, we'd be delighted to hear from members who live in Wales, or who have an interest in Welsh taxes, who would like to get involved with our work in this area.

Continuing the international(!) theme, Kate Willis and Emma Rawson report on the CIOT and ATT's response to the consultation to bring most non-resident investors' gains in UK land into UK tax from April 2019. Sacha Dalton then reports on the CIOT's response to the consultation on the introduction of a royalties withholding tax , which forms part of government's response to the challenges presented by the digitalised economy. Sacha then goes on to highlight the new HMRC guidance and portal to assist with the recently-introduced corporate interest restriction rules.

We then turn to issues of tax administration and management (we told you last month that this was a 'sexy' area), as Margaret Curran, Will Silsby and Joanne Walker summarise the CIOT, ATT and LITRG's response to the recent HMRC consultation on interest harmonisation and sanctions for late payment, forming part of the Making Tax Digital proposals. Tom Henderson (our new LITRG Technical Officer) then highlights LITRG's response to the government's further consultation on tax conditionality i.e. requiring those who require licenses to operate to demonstrate they are properly registered for tax.

Capturing the real-life experiences of our members can be vital to our work, and we recently undertook two CIOT and ATT member surveys on technical matters. The first related to the 'client notification' obligation, which many of you will no doubt look back on with some disgruntlement, and Margaret Curran reports on the results of our survey on this issue, and the follow up steps we have taken. The second survey related to the rent a room relief, and Matthew Brown, Helen Thornley and Meredith McCammond report on the CIOT, ATT and LITRG submissions that drew upon the results from the survey. Thank you to all members who responded to our surveys.

Two employment taxes issues come next. Matthew, Helen, and Victoria Todd set out the CIOT, ATT and LITRG's response to HMRC's consultation on making changes to the PAYE Settlement Agreement (PSA), and Emma highlights the changes to the benefit in kind rules for charging an employee's electric car.

We round up with Gillian Wrigley summarising LITRG's comments on the draft amendment regulations on qualifying care relief, Jayne Simpson reporting on the CIOT's response to the recent consultation on VAT and vouchers, and last (but certainly not least) a timely reminder from Jane Mellor from our Professional Standards team to keep your own websites under review.

PS – if you are going to look up the 1 April/5 April issues above, maybe take a look at Wikipedia for the first, and the Paul Lewis Money blogspot for the latter.