Welcome to the October Technical Newsdesk

Welcomes

01 October 2018

As was the case for the October edition last year, I am writing this whilst attending the CIOT Autumn Residential Conference in Warwick.

I am speaking (or, by the time you read this, spoke) on the Sunday morning about Making Tax Digital for VAT. I can quite safely say that I do not normally talk about tax on a Sunday morning – and if I did I am sure my house would empty quicker than you can say 'digital link'. The CIOT and ATT conferences are not only a great way of getting your CPD, but for our technical teams are another way (in addition to these pages) of interacting with our members and hearing about how things are working in practice. Of course, we do get this feedback from our network of volunteers, and in our first article this month the ATT Technical Officers highlight the work of its Technical Steering Group, and its VAT sub-group.

Under the new tax policy making timetable, draft clauses for the Finance Bill are published for comment just before the summer break. The deadline for comments was 31 August, and the CIOT, ATT and LITRG all provided both verbal and written feedback on a number of draft clauses. We have summarised some of our submissions below; namely the proposed changes to CGT for non-UK residents, Entrepreneurs' Relief, penalties and interest.

On 23 August (my birthday, for future reference!) the government published a number of documents to set out the proposals / implications in a variety of areas if there is no Brexit deal, and we highlight some of the main tax points. We continue our engagement with HMRC and other policymakers in this area. We also continue to work with HMRC on the extension of VAT grouping to non-corporate bodies. It never ceases to amaze how what might seem a relatively simple step can give rise to a huge number of complexities and uncertainty, and we explain recent discussions in

this area.

Although things on the international tax front may seemed to have quietened down slightly, the work of the G20/OECD's BEPS project continues. We report on the CIOT's recent response to the OECD's Public Discussion Draft on transfer pricing for financial transactions, continuing under Actions 8 to 10 with the mandate to 'Align transfer pricing outcomes with value creation'.

Readers will be aware that, in April 2017, the government reformed the off-payroll working rules for engagement in the public sector. The government has recently consulted on how to tackle non-compliance with the off-payroll working rules in the private sector, and the CIOT, ATT and LITRG each separately responded – all questioning the 'success' or otherwise of the public sector changes, before looking at the government's lead option of extending the public sector rules to the private sector.

Finally, we report on LITRG's work over the summer to input into the Financial Conduct Authority's work on the outcomes of the pension freedom reforms, and in particular the resulting problems facing consumers, before providing a round-up of recent work north of the border.