ATT President's page

Welcomes

01 October 2018

Hello to you all

You started to get used to the pages being written by my illustrious Deputy President Jeremy Coker – and here I pop up, again! This is only a temporary interruption to Tax Adviser and it will be normalis officium next month.

First, an update on my time so far as President. Before my election, there were five female presidents. On the day I was elected I was fortunate to be able to spend time with four of them: Jean Jesty, Annie Bailey, Yvette Nunn and Natalie Miller. They have always given me such great support and I thank them for that. You will have seen from the report of the ATT AGM that we said goodbye to Natalie and Yvette as they reached the end of their respective term on ATT Council. Their work for the ATT over many years has been immense and we will miss them both.

My presidential duties started immediately after my election with a journey to the Yorkshire Tax Dinner in Leeds. A great evening was had by all; an opportunity for me to catch up with old friends and make some new ones. My sincere thanks to the branch for making me so welcome.

I have attended a couple of HMRC meetings regarding some of their systems and potential changes. I am a firm believer that we should be a ‘critical friend’ to HMRC. By working together, we can show each other how things are ‘on the other side’. Although I have worked for the Inland Revenue, I would not know what a working day in an HMRC office is like today, any more than I knew what it was like working for a tax consultancy practice then. Although we may have different ideas of how to get there, surely we all want the same result – a system that works for us all?

September is the month of the CIOT Autumn Residential conference. I was lucky enough to be able to attend and it was a good opportunity for updating my ‘little grey cells’ and for me to meet some of you. I would encourage all of you to try and attend one of the ATT Conferences or the joint ATT/AAT Master Classes. They are all excellent ways for adding to your CPD and a great way of meeting other members.

Requirement to Correct (RTC) will oblige UK taxpayers to tell HMRC about any offshore tax liabilities that relate to UK income tax, capital gains tax, or inheritance tax. I have heard that letters about RTC are being sent to individuals, quite randomly by HMRC. As seems the norm these days, our members will have to bring some calm to clients. We have produced some practical notes for members following recent discussions with HMRC regarding the scope and operation of the RTC, on our website, which should help.

HMRC are fond of a ‘crackdown’ these days, but scratch under the surface of their activity, like the ATT and CIOT technical teams do every day, and you find all sorts of unreasonableness.

We are urging HMRC to amend proposals for a new penalty regime for late payment of tax in order to avoid unfair outcomes for taxpayers. Unless the plan is amended, we worry that it would mean that taxpayers who had agreed with HMRC to pay tax liabilities by instalments could incur substantial penalties even on instalments which had been paid as agreed with HMRC.

Then our friends at CIOT has said the proposed scrapping of compensation for delays to the payment of VAT refunds by HMRC is unfair and likely to harm affected business’ cash flows. This would appear to mean there is no incentive for HMRC to progress enquiries quickly and efficiently.

Look out for our response to the consultation on amending HMRC’s civil information powers. It is now over a decade since the current framework of information provisions were enacted following the Review of Powers. Many of these powers mirror provisions that date back to the 1970s.

I have been working in my practice, cajoling clients as time moves along towards the January deadline. After having told my self-employed clients that Class 2 National Insurance ends next year, I now have to tell them that is not the case. Just something else we can add to the ‘that was too difficult’ pile maybe?

In closing my page I would like to send whole hearted congratulations to all of the inaugural Masters students finishing the first MSc in Taxation at Oxford. A huge achievement and you should all be very proud of yourselves.

Tracy Easman

ATT President