Our technical work in 2018

General Features

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2018 is fast becoming a distant memory, as we deal with the many issues keeping us busy in the early part of 2019. But it’s good to look back at what we did in 2018, and how we fulfilled our charitable objectives to promote education in taxation and seeking to achieve a better tax system for everyone.

The Technical teams of CIOT, ATT and LITRG made 154 formal submissions to HMRC, HM Treasury and other revenue and parliamentary bodies during the year (81 from CIOT, 51 from LITRG and 22 from ATT). This is in fact a reduction when compared to 2017, and is largely a reflection of the move to a new fiscal timetable and the single fiscal event (an Autumn Budget) – the number of written submissions we make is largely dictated by the volume and nature of formal consultations issued, though we do make proactive submissions, too. Indeed 2018 was, perhaps at least in legislative terms, a more settled year in tax (again as compared to 2017) – a single Finance Act less than 200 pages in length is, at least in modern day terms, almost inconceivable.

This reduction in formal, written work highlights the importance of personal engagement, which is vital to maintaining our ongoing relationships and influence. We have enduring relationships and engagement with HMRC, HM Treasury and the devolved tax administrations, as well as other policymakers, parliamentary committees etc. In 2018 we held some 533 meetings with these bodies (254 CIOT, 192 LITRG and 87 ATT) – averaging at least two meetings every working day!

Our engagement is also member-focused. All CIOT and ATT members should receive the Friday technical newsletters, which not only comprise a comprehensive update on tax matters, but also brief reports or ‘highlights’ of the recent work of the Technical teams. We also reach out to members in other ways. We spoke at nearly 30 branch or similar events in 2018, commissioned a number of member surveys, held webinars, and presented at various training events and conferences.

So, what were our successes? Well, apart from the significant levels of activity and engagement, it is difficult to pinpoint what ‘success’ really means. One measure would be that our suggestions, comments and concerns are recognised when new measures are introduced. We have little actual control over this (for a variety of reasons) but examples of such successes would include ensuring the changes to Entrepreneurs’ Relief announced at the Autumn Budget were subsequently better targeted, changes to the Corporate Intangible Fixed Assets regime that we highlighted in our consultation response were adopted, and that the (perhaps inevitable) extension of the off-payroll rules should not be introduced before 2020.

But success is achieved in different ways. Simply putting our opinions ‘on record’ ensures that policymakers are made aware of the pros and cons of what is being proposed. Being professional, impartial and trustworthy ensures that our comments and opinions continue to be sought and valued by revenue authorities, parliamentary committees, the media and so on. Working with, rather than against, revenue authorities ensures that we are able to discuss sensitive issues, such as HMRC’s approach to compliance and where behaviour falls below expectations, in a constructive and collaborative manner.

2019 will be a challenging year. We know that Brexit and Making Tax Digital are HMRC’s two main priorities and we will continue to work collaboratively with HMRC on those. And there will no doubt be continuing or new issues in every area of tax to keep us busy. The quality and breadth of our technical work is also a testament to the input and commitment of our volunteers, for which we are extremely grateful.

More information on our work can be found on the CIOT, ATT and LITRG websites, and our work in 2018 is covered in more detail in the technical report for the 2018 annual reports which will be published in late March.