Welcome from the editor - August 2015

Welcomes

01 August 2015

Imagine the scenario: your client tells you about their fabulous holiday with their new partner. ‘It’s only been six months but it’s like I’ve known them for ever,’ they say. In the past I may have exchanged warm pleasantries and wished them all the best but now I’m conscious that I need to highlight the possible tax skeletons that may affect my client. As Peter Vaines explains on page 48, there may be implications from the statutory residence test in that you need to consider whether your new partner was resident in the earlier years by reference to their own circumstances. Some think that they do not need to consider the residence of a spouse before marriage. Not so.

Advising the not-for-profit sector

Not-for-profit bodies come in many sizes, but a not-for-profit motive does not equate to a tax exemption. Graham Batty considers some of the tax issues facing practitioners dealing with not-for-profit organisations.

R&D expenditure credit

Kathie Haunton and Sarah Goodman explain the practical considerations of claiming the research and development expenditure credit. They explain how submitting an RDEC claim has an impact on both the tax computation and the statutory accounts.

Uniformed VAT

Many HMRC officers apply checks to staffrelated issues on compliance visits so it is important to be aware of the rules and the correct treatment to adopt. On page 62, Neil Warren reviews the French Connection case which considered the issue as to

whether free clothing given to employees represented a supply for VAT purposes.

Long Budget speeches

George Osborne’s summer Budget speech was long when compared with his previous efforts, but a mere toast when set against William Gladstone’s in 1853. On page 22 Bill Dodwell considers the main points from 2015, while on page 18, in the first article in a new series looking at some historical aspects of tax, Helen Thornley reflects on Gladstone’s 1853 Budget.

HMRC powers

On page 20, Stephen Barnfield reviews the results of February’s CIOT and ATT members’ survey which examined how HMRC applies legislation on penalties, enquiries, information powers and reviews. Overall, the survey reveals that the system for penalties and compliance checks is not operating as well as had been hoped.