Political update: April 2022

Briefings

28 March 2022

CIOT, ATT and LITRG work with politicians from all parties in pursuit of better informed tax policymaking.

- The government's Economic Crime (Transparency and Enforcement) Bill was rushed through Parliament in mid-March, in response to renewed parliamentary and public pressure in the wake of Russia's invasion of Ukraine. Although this is not a tax measure, many of our members have relevant expertise, so we took a keen interest in the Bill and provided a briefing to MPs and peers. This briefing focused on the Bill's creation of a register of beneficial ownership of overseas entities that own land in the UK. In particular, we pointed out that the Bill appeared not to achieve the government's stated aim of 'requiring anonymous foreign owners of UK property to reveal their real identity', because it left open the option of maintaining anonymity by owning property through a general nominee company that acts for multiple clients. An amendment addressing this won backing from Lib Dem and Conservative peers and, while not accepted, obtained a commitment from the minister that this area would be kept under review and dealt with through regulations if necessary.

- Back in February, the Finance Bill passed through Parliament and became an Act. Our comments on the new public interest business protection tax – focusing on the way it was being rushed into law – were quoted twice at the Commons report stage.

- Following discussion at a hearing of the Commons Treasury Committee about how HMRC deals with misconduct by tax professionals, CIOT and ATT wrote to the Committee with information about referrals that HMRC has made to the Tax Disciplinary Board and action taken in respect of those cases.

- CIOT and LITRG evidence to a House of Lords Sub-Committee mini-inquiry on off-payroll working was cited in a number of places in the Sub-Committee's findings. A National Audit Office report on the 2017 off-payroll working reforms also reflected CIOT and LITRG evidence, including calls for improvements to the Check Employment Status for Tax (CEST) tool.

- CIOT is increasingly active in Wales. In February, Lakshmi Narain, Chair of CIOT's Welsh Technical Committee, and John Cullinane, CIOT's Director of Public Policy, gave evidence to the Finance Committee of the Welsh Senedd on the Welsh Tax Acts Bill.