Spotlight on the CIOT's Employment Taxes Committee

Briefings

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Matthew Brown takes a look at the work of the CIOT's Employment Taxes Committee.

The CIOT's Employment Taxes Committee addresses all aspects of UK employment taxes, whether in relation to UK based employers or UK based employees. Aside from issues such as IR35/Off-Payroll Working, employment status, expatriate tax, and benefits and expenses, we also take a keen interest in broader matters such as the Construction Industry Scheme, pensions saving and administration, and share schemes.

Every March, committee members contribute articles for our annual publication of Employment Taxes Voice. The March 2022 edition can be read at: www.taxadvisermagazine.com/tax-voice. The articles pick up on topical areas and this year include pieces on working from home, IR35 and managed services, due diligence in labour supply chains, umbrella companies, Coronavirus Job Retention Scheme (CJRS) compliance, electric vehicles and overseas workdays relief.

The Committee is both reactive and proactive. We devote substantial time to responding to public consultations, principally those issued by HMRC and HMT. In the past year, we have submitted written responses to the consultation on off-payroll working/IR35 rules, and calls for evidence on the umbrella company market and enterprise management incentives. We also provide briefings to Parliament on relevant aspects of the Finance Bill, and from time to time we give evidence before Select Committees on matters relevant to the Committee's work. Our written submissions are often supplemented by meetings with HMRC, HMT and the OTS.

Our proactive work is largely driven by the Committee volunteers and ably assisted by members raising with us the issues they experience with the tax system. For

example, in the last year we've raised with HMRC issues around the benefit-in-kind implications of electric vehicle charging, cycle-to-work schemes, hybrid working arrangements, PAYE Settlement Agreement calculations, and the Health and Social Care Levy.

As might be expected, much of our in the last couple of years has been pandemic-related, involving frequent discussions with HMRC on the CJRS, including tax return declarations, agent 'audits' of claims and HMRC's compliance activities. This work continues.

We've also engaged with HMRC on other matters such as employer-reimbursed Covid-19 tests, working from home equipment, homeworking allowances and deductions, and private medical insurance rebates. We make regular Budget Representations aimed at simplifying and improving the administration of tax, such as in relation to differences in treatment between employer-paid and employer-reimbursed benefits.

Committee volunteers also attend meetings of various HMRC forums, such as the Employment & Payroll Group, Construction Forum, IR35 Forum, Expatriate Tax Forum, National Minimum Wage Forum, the Pensions Industry Stakeholder Forum and the Share Schemes Forum.

The reforming of the Construction Forum and, more recently, HMRC's new Share Schemes Forum arose from CIOT recommendations to improve dialogue between HMRC and professional bodies. These groups provide for a lot of informal discussion and consultation, as well as helping us to connect with the right person when it is evident that the tax system isn't working as it should!