Revenue Scotland: charter of standards and values

Technical

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Both the CIOT and LITRG have responded to Revenue Scotland's public consultation on a charter of standards and values. The six-week formal consultation followed an extensive informal discussion period in late 2014 which involved various stakeholders, including CIOT and LITRG. Revenue Scotland aims to publish a final charter of standards and values (charter) by 1 April 2015.

Although the charter will initially apply only to land and buildings transaction tax and Scottish landfill tax, LITRG has taken an interest in the development of the charter with a view to the devolution of further taxes to Scotland which may affect the low-income taxpayer. Overall, both CIOT and LITRG welcome the presentation of the charter and its content. In informal discussions, both organisations expressed a preference, which Revenue Scotland have followed, for setting out the obligations of taxpayer and tax authority separately to avoid the perception that the performance of Revenue Scotland's obligations under the charter is conditional upon the Scottish taxpayer meeting theirs, and vice versa.

In addition, Revenue Scotland has taken on board our comments about enforcement of the charter. The draft charter helpfully refers explicitly both to Revenue Scotland's complaints process and to the ultimate oversight of the Scottish Public Services Ombudsman. This should ensure awareness among taxpayers of how to deal with breaches of the charter. Perhaps more importantly, the draft charter includes the statement that 'all parties have the right to refer to this charter in all tax dealings including … tribunal and court proceedings'. Many members will no doubt be able to think of instances when an HMRC tax dispute has been compounded by a breach of 'your charter' – such eventualities in the devolved taxes will in theory be catered for by the Revenue Scotland charter.

In terms of the responsibilities included in the draft charter, CIOT and LITRG broadly agree that they are appropriate. The responses suggest refinements of a few obligations. For example, LITRG suggests that the obligation on taxpayers to 'keep accurate records of all activities that may be taxable' should be better defined by including a clause such as 'to the best of your ability, knowledge and belief'. CIOT would like to see the obligation on taxpayers to 'be honest and open, and take care to ensure you provide all relevant information' amended to read 'be honest, and take reasonable care to ensure you provide all relevant, non-privileged information'.

Both responses make suggestions for additional obligations. By way of example, LITRG would like to see Revenue Scotland have a responsibility to set parameters for the establishment
and monitoring of measurable standards of service. CIOT suggests an obligation on the taxpayer to co-operate fully with Revenue Scotland.

Revenue Scotland also sought suggestions on how to raise awareness of the charter. They already have some good ideas; for example, the intention is for Revenue Scotland staff to draw taxpayers' attention to the charter as a matter of course in all correspondence; again, CIOT and LITRG have tried to supplement these. We have suggested that the charter might be included within staff induction and training courses, involving active learning techniques, such as role play, with a view to embedding the charter in Revenue Scotland culture.

The CIOT response is available here.

The LITRG response is available here.