Changes to HMRC statistics publications

General Features



20 February 2023

CIOT responded to HMRC’s consultation proposing changes to its statistics publications.

HMRC state that they are committed to producing high value and good quality statistical publications that meet the needs of their users, while using their limited resource in the most effective ways. The consultation encouraged users of their statistical publications to provide their views on changes HMRC are considering to their suite of statistical publications, which includes potential new information being included where sufficient user interest is established.

Prior to responding to the consultation, we obtained HMRC’s confirmation that the proposed changes to statistics publications do not affect the actual collection of data by HMRC. This would have been of great concern, and so we are reassured that this is not the case.

Our comments focused on the proposed changes to statistics regarding inheritance tax, non-domiciled taxpayers in the UK and trusts.

On inheritance tax, we agree with the proposals to add the average effective tax rate faced by taxpaying estates in each ‘net estate’ band, and detailed statistics on the exit charges paid by trusts. We feel that this would enhance transparency and public understanding of the effective impact of inheritance tax on a deceased’s estate, as well as improving understanding of how trusts operate generally and when they pay inheritance tax. We are concerned, however, at proposals to discontinue publishing certain statistical tables. For example, ceasing the publication of table 12.1 (analysis of receipts) would mean that the amount of inheritance tax raised from each of the various categories of charge (death, lifetime chargeable transfers, trust charges) will cease to be made available. Discontinuing table 12.7 would cease the disclosure of the numbers of trusts falling within certain value bands. We consider that these tables should be retained.

On non-domiciled taxpayers, we raised concerns regarding the proposal to shorten the time series of all tables and charts to cover the last eight years. We feel it is important to retain an overall summary of total non-domiciled numbers since 2008 so as to compare the current position to when the domicile rules were overhauled in 2008, and particularly following the 2017 changes.

On trusts, the main proposal is to shorten the time series of all tables and charts to cover the last eight years. We feel that while the 18 year span of some of the tables might seem excessive. However, we suggest that it may be more appropriate for the tables for trusts to be reduced to 11 years. (Inheritance tax charges may occur on a 10 yearly basis and so the combined impact of inheritance tax, income tax and capital gains tax is relevant to understand the impact of taxation on trusts generally, and their contribution to the exchequer.) We also feel that proposals to publish annual statistics (rather than a time series) would not assist an understanding of the impact of the trust registration service.

Our full response can be found at: www.tax.org.uk/ref1047