Political update: September 2023

Briefings



23 August 2023

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

The 2023 Finance Bill completed its passage through Parliament with the House of Lords debate in July. Chartered Tax Adviser Lord Leigh of Hurley raised CIOT concerns about the potential extent of the powers being granted to government to remove an R&D claim from a tax return, as well as quoting from the letter sent the previous day by the Institute (see story above). The minister acknowledged ‘teething problems’ with R&D compliance changes and promised that HMRC would ‘continue to work with stakeholders to ensure that the department is managing checks professionally’.

Also completing its passage through the Lords in July was the Economic Crime and Corporate Transparency Bill. The government made substantial changes in the Lords, including a new offence of ‘failure to prevent fraud’. Additionally, peers inflicted six defeats on the government, including extending the failure to prevent fraud to organisations of all sizes and to a failure to prevent money laundering. A

gap in the Register of Overseas Entities identified last year by CIOT has been addressed by the government (see tinyurl.com/ECCTB23 for more detail).

The House of Commons Treasury Committee has published a report in which they call for a systematic review of the cost of all tax reliefs. This reflects submissions made to the committee by ATT, CIOT and other professional bodies.

In other developments, Ellen Milner and George Crozier of CIOT met with Shadow Financial Secretary James Murray to discuss current tax issues and Labour's policy development, while Helen Thornley of ATT met with Conservative MP Elliot Colburn to discuss mileage allowances ahead of a parliamentary debate on the topic.

CIOT President Gary Ashford met with members of the European Parliament's FISC Sub-Committee during their visit to the UK to discuss tax compliance and regulation of the tax profession. Preparations continue for CIOT's party conference events with IFS, which will take place in early October.