Political update: July 2024

Briefings



21 June 2024

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

Finance Bill (No.2) 2024 completed its public bill committee stage in a single session the day before the election was called, with CIOT and LITRG comments cited on a number of issues.

Discussing the high income child benefit charge, Shadow Financial Secretary James Murray highlighted LITRG's concern about the rate of claw back and marginal tax rates. On the SDLT clauses, Murray raised a number of CIOT points, including asking the minister whether he was 'aware of the potential for anomalies and for new behaviour to emerge around the acquisition and definition of property'. He asked for reassurance that the minister would work with CIOT and other stakeholders to avoid unintended consequences from these clauses.

On the economic crime levy, the Shadow Economic Secretary Tulip Siddiq raised a point we had made about how it would be helpful to get more granular feedback on

suspicious activity reports. On VAT, she raised our points around agent access and reinstating HMRC’s discretion not to charge interest where there is no loss to the Exchequer.

On transfer of assets abroad, Siddiq raised a number of CIOT points, including the position of minority shareholders, uncertainty for business and the complexity of tackling corporate tax avoidance through a personal tax measure. In response, Financial Secretary Nigel Huddleston made a point of saying the government appreciates stakeholder input, mentioning CIOT in particular. However, he added, the government ‘respectfully disagrees with the CIOT’ on some matters. He tried to reassure MPs that the measure would not have the impacts feared.

At the end of proceedings, the Financial Secretary thanked CIOT and LITRG ‘for their contributions to this Committee’. Murray also thanked CIOT, saying its expertise ‘is always greatly valued’.