CIOT technical team successes: September 2024

General Features



21 August 2024

An outline of the changes influenced by the CIOT's technical team, alongside the recognition of efforts made by the CIOT to deliver on our charitable objectives for a better, more efficient tax system for all affected by it.

Following the May edition, where we began outlining those changes in which the CIOT was instrumental and occasions where the CIOT's contribution was singled out, here are our successes for the quarter ending 30 June 2024.

Changes to guidance, interpretation and procedure

Following a suggestion from the CIOT, HMRC thanked CIOT and have introduced banner messages for their manuals to alert users to content that is under review, transitional changes or major updates yet to come. This should improve users' awareness of the current status of the guidance and the extent to which it is current

and can be relied upon to reflect HMRC's view. See the recent (24 April) minutes of the Guidance Strategy Forum meeting for more information (available from tinyurl.com/3atpk9d2).

As part of its ongoing work on guidance via the Guidance Strategy Forum, the CIOT was invited to attend a team day for HMRC's manuals strategy team to provide feedback and ideas on how to enhance stakeholder experience.

HMRC have confirmed that an example provided by CIOT concerning a volunteer office-holder's expenses accurately reflects the position with respect to allowability in relation to their duties.

Following a suggestion from CIOT, HMRC have amended their guidance to make it clearer that a UK establishment that must be registered at Companies House is different to a permanent establishment and clarify that in some circumstances a permanent establishment does not have to be registered at Companies House (see INTM 261020). This should assist when obtaining a UTR for a permanent establishment of an overseas company that does not have to be registered at Companies House.

HMRC have agreed to update their internal guidance to reflect a change in wording for use in their one to many letters. Specifically, it concerns the wording used to explain to the recipient of a letter that HMRC have not sent a copy of the letter to their authorised agent. The standard line reads: '*If you have an agent acting for you, you may want to show them this letter.*' A CIOT volunteer told us that this is not accessible language for neuro-diverse readers, such as those on the autistic spectrum, because it does not specifically read as meaning that HMRC have not sent a copy of the letter to the agent. HMRC have agreed to change the wording so it is much clearer, for example: '*If you have an agent acting for you, you may want to show them this letter as they have not been sent a copy.*' HMRC have also advised us that our feedback has been shared with their extra support team to see if other HMRC letters might be similarly amended.

Parliamentary mentions

The Finance (No.2) Bill 2024 is now an Act, after being rushed through Parliament prior to its dissolution in May following the general election announcement. Written evidence from CIOT on property tax clauses and transfer of assets abroad and from

CIOT’s Low Incomes Tax Reform Group on the high-income child benefit charge was cited during the session, with both the Financial Secretary and Shadow Financial Secretary thanking the Institute for its input.

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