# CIOT technical team successes: February 2025

General Features



22 January 2025

**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. Here are our successes for the quarter ending 31 December 2024.**

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**Changes to guidance/interpretation/procedure**

As a result of our feedback on a proposed 'one-to-many' letter regarding the High Income Child Benefit Charge (HICBC), HMRC have updated their guidance on GOV.UK (tinyurl.com/3jdzmptp).

We said in relation to the proposed letter: 'Under the heading 'Check if you need to pay the High Income Child Benefit Charge for 2023 to 2024', it says: 'Your adjusted net income is your total taxable income, less certain tax reliefs and before deducting any Personal Allowances. For more information, go to GOV.UK and search 'adjusted

net income'.' Doing this, the first hit that comes up says 'updated 11 December 2018'. How does a taxpayer know they can rely on this as being current? Can it be updated to 2024?' HMRC responded by updating the page on 17 October with a more up-to-date example.

Because of feedback from CIOT as part of reviewing draft one-to-many letters, HMRC have updated relevant parts of their guidance (including examples) concerning the HICBC.

Because of feedback provided at the Guidance Strategy Forum on 31 July 2024, HMRC have included some tips on using GOV.UK as part of the trial of a new tax agent 'handbook' (tinyurl.com/yu7f8ek5).

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**Parliamentary mentions**

During the Committee stage debate of the National Insurance Contributions (Secondary Class 1 Contributions) Bill (tinyurl.com/4bdd55rj) on 17 December 2024, the CIOT's concerns were mentioned by the Shadow Financial Secretary to the Treasury Gareth Davies in his criticism of the Bill. In the House of Commons debate on 10 December 2024 (tinyurl.com/azmp3649), the CIOT was cited by Gareth Davies during a debate on the capital gains tax proposals within the Finance Bill 2024-25 in a Committee of the whole House. He also placed on record his thanks to the CIOT for its 'invaluable support'.

In the Westminster Hall debate on 8 October 2024 (tinyurl.com/3yy4zjfz), the CIOT's submission on VAT and private school fees was cited during the debate.

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**Other recognition of the CIOT's contribution**

The CIOT and ICAEW launched a 45 page report, 'Tackling HMRC's Customer Service Challenge'. The report presented key findings from a six week study – involving 31 agent firms – recording 634 attempts to contact HMRC by phone and webchat. The evidence from the six week study and wider experiences of our members were used to inform ten key recommendations to improve HMRC customer service performance. As well as representatives from CIOT, ICAEW and several tax firms, HMRC also attended the launch at the CIOT's office on 11 December. The report can be found at tinyurl.com/cxhfs3r3 and has received widespread support. (See the

article ‘Tackling HMRC’s customer service challenge’ setting out the findings of the report on page XX.)

Our joint report was referred to in the Administrative Burdens Advisory Board 2024 annual report and we hope that it will lead to further collaborative work with HMRC and ministers during 2025.

The CIOT was quoted in the Daily Telegraph (6, 11 and 14 October 2024) concerning the imposition of VAT on private school fees, in particular our expressions of concern at the timing of introducing the charge from January 2025.

Aspects of the Finance Bill 2024-25 contain proposals which echo recommendations made by the CIOT on matters such as: changes to the ten year qualifying residence period for the four year tax-free remittance window; the ten year inheritance tax ‘tail’ being tapered; changes to the ‘Transitional Repatriation Facility’; and tighter measures concerning employee ownership trusts and the availability of tax reliefs.

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