Technical newsdesk: March 2025

Welcomes



18 February 2025

I am writing this introduction on my way into London for a roundtable with the Exchequer Secretary to the Treasury (XST) James Murray MP to discuss tax simplification.

The roundtable was called at relatively short notice, just prior to the publication of the National Audit Office's report 'The administrative cost of the tax system', published on 10 February (tinyurl.com/yhv689wv). You will recall that, as stated in the October Budget: 'The government will announce a package of measures to simplify tax administration and improve the customer experience in Spring 2025 with a focus on reducing burdens on small businesses. The government will meet stakeholders to understand the priorities for administration and simplification, ensuring that this work is driven by the views of taxpayers.' This roundtable is therefore part of that engagement.

Having been in my role for over nine years now, and a tax professional for over 25 years, my perception of tax simplification is that it is something that has never been given much more than lip service. Yes, there have been some simplification

measures in recent years (question – can you think of five?), as well as some measures that have been labelled as simplification (but are probably not). Yet, at the same time, a greater level of complexity has been added or proposed. You would be right in thinking that, along with many others working in tax, I had become rather jaded about the whole idea.

Simplification is much more than removing an existing complexity. It is a strategy or a mindset, not a sticking plaster. That is why, nearly two years ago, the professional bodies joined forces and wrote to the then Financial Secretary to the Treasury Victoria Atkins MP, setting out nine principles or processes that the government should adopt to deliver their pledge to 'embed tax simplification into the heart of government' (see www.tax.org.uk/ref1098).

This included recommendations such as ensuring that someone is responsible for the delivery of tax simplification, and that a simplification assessment is included in tax information and impact notes (or policy papers).

So, what, if anything, has changed? Well, several things. The most obvious is that we have a change of government, so we are starting again with a clean slate, so to speak, and we should not be influenced by what has gone before. We also have a very 'hands on' XST, who now chairs the HMRC Board, and is clearly keen to deliver on his priorities. And perhaps just a small but reassuring point is that HMRC and HMT have adopted, and updated with the XST's priorities, the simplification business case template that we prepared. This is a document that enables simplification ideas to be presented to government in a standardised fashion, setting out things such as the problem or complexity the suggestion addresses, the likely number of taxpayers affected, the likely impact on revenues, and so on.

We have shared the joint professional bodies' letter with the XST, in the hope that our suggestions can be implemented. We are also giving thought to the best way to capture ideas on the business case template, so watch out for more on this. I genuinely think that we have a fresh opportunity to make a difference.