Welcome to February's Technical Newsdesk

Welcomes

01 February 2017

5 December 2016 might seem a long time ago now, and a lot has happened since: Christmas, the New Year, a new President in the White House, and increasing daylight hours making the days feel longer. But 5 December was an important date in the tax world, and certainly for the Technical Team, as it was the date on which the Government responded to many of the summer consultations, and draft clauses for the 2017 Finance Bill were published.

In terms of quantity, and whilst the Autumn Statement contained comparatively few tax measures, the draft Finance Bill doesn't disappoint. There are 398 pages of draft legislation, representing 98 clauses and 22 schedules, together with 287 pages of Explanatory Notes. Granted, 28 clauses are dedicated to the Soft Drinks Industry Levy, and a further 11 to provide the outline provisions of the Fulfilment Houses regime, but that means that the remaining clauses contain a huge amount of detail.

And, as Bachman-Turner Overdrive (I had to look this up!) sang, 'you ain't seen nothing yet'. At the time of writing we are still expecting the Government's response on the six Making Tax Digital consultations, which in themselves proposed substantial changes not only to record keeping and filing regimes, but also basis periods, penalties and tax payments. Further, we are still waiting for other draft legislation, including elements in relation to the changes to corporation tax loss relief and interest deductibility, and certain aspects of the 'non-dom' reforms. As some of these measures will come into effect on 1/6 April 2017, it gives very little time for consideration and comment.

The Technical Team, and the technical sub-committees, are busy reviewing the Government responses and the draft clauses and will be making comments as appropriate. In this month's Technical Newsdesk we highlight some of the clauses on which we expect to comment.

5 December wasn’t just a day of responses, it also signalled the launch of two important consultations: one on the scope of VAT grouping, and the other on a proposed requirement to notify HMRC of offshore structures. Both are discussed below.

Life still goes on outside the Budget process, and the Office of Tax Simplification recently launched two reviews; one into VAT and the other into Stamp Duty. Do read on for more details, particularly as we would like to hear your thoughts on both these areas to enable us to contribute to these projects.