Technical Newsdesk: July 2026

Welcomes

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Welcome to the July edition of Technical Newsdesk. As I sit down to write this introduction, with rain pouring outside and summer still apparently waiting in the wings, it would be tempting to think that things might be slowing down. Not so for the CIOT, ATT and LITRG technical teams. This month’s Technical Newsdesk reflects another busy period of engagement, with responses submitted to a wide range of formal consultations, alongside proactive submissions, position papers and feedback to HMRC and HM Treasury.

Across the articles, the subject matter is diverse, ranging from uncertain tax treatment, stablecoins and company tax return standardisation to economic crime information sharing, the carbon border adjustment mechanism, land remediation relief, capital allowances and pension tax relief errors. But a common thread runs through much of this work: the importance of ensuring that tax policy can move successfully from intent to practical implementation.

That theme feels particularly relevant in light of HMRC's tax policy-making principles, which will be approaching their first anniversary by the time of publication. These principles set out a smarter and more agile approach to consultation, including dynamic and frequent engagement with tax professionals and other stakeholders as policy is developed. While the articles in this month's Technical Newsdesk largely reflect the more traditional model of formal consultation, they nevertheless provide a useful lens through which to consider how those principles are working in practice.

Consultation is clearly a vital stage in the policy-making process: a chance to respond to specific questions that will help to shape policy design, comment on draft legislation and suggest technical changes before reforms are finalised. Arguably, however, the most valuable consultation work goes further. It provides an opportunity to test whether a policy objective is sufficiently clear, whether the proposed rules will deliver that objective, whether there are unintended consequences and whether taxpayers, agents and advisers, software providers and HMRC will be able to operate them effectively in practice.

That theme emerges strongly this month. In some areas, such as the proposed extension of the uncertain tax treatment regime, the issue is whether the case for change has been properly evidenced and whether new obligations would be proportionate and workable for those brought into scope. In others, such as the modernisation and standardisation of company tax returns, the question is not whether digitalisation and greater consistency are desirable aims, but whether the proposals are practicable across the broad taxpayer population in scope. It is also whether implementation timetables, software readiness and business systems have been sufficiently factored into the design. For stablecoins, the challenge is ensuring that the tax framework keeps pace with evolving technology without creating disproportionate compliance burdens.

LITRG's work on pension tax relief errors offers a slightly different but related perspective. It shows how problems can arise where the technical operation of the tax system, payroll processes and user understanding do not align. In that context, the gap between policy intent and day-to-day implementation can have practical consequences for employers, employees and HMRC alike.

Taken together, these examples underline the value of consultation not merely as a formal requirement, but as a mechanism for identifying implementation risks at an

early stage. They also point to a broader questions which we may return to in the months ahead. How well are the tax policy-making principles working in practice? And how effectively does the process anticipate the practical realities of delivery, compliance and administration? If there is a theme running through this month's Technical Newsdesk, it is that good tax policy depends not only on sound objectives, but on rules, guidance and processes that are clear, proportionate and capable of working in practice.

As ever, we are keen to hear members' views, both on individual consultations and on how consultation itself can best support effective, proportionate tax policy-making.

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