Welcome from the editor, May 2017

Welcomes

01 May 2017

Sharing the spoils

The sharing economy is a fascinating area and one that we will be hearing much more about. In 2016 PwC published a report on the size and presence of the sharing economy in Europe. In 2015 transactions were around £7.5bn in the UK alone and growing fast. Clients will be looking to their tax advisers to provide advice on these issues in practice as they become even more important and widespread. Michael Steed and Marion Hodgkiss consider the practical tax issues involved in the sharing economy.

Pensions taxation

HMRC has estimated that pension tax relief amounted to some £34.2 billion in 2014/15. Reducing pension allowances has meant more people are impacted by potentially significant and unexpected tax charges. Exceeding the allowances may incur additional tax, but this doesn't mean that pension saving should be ceased. Greg Morris provides a comprehensive guide to the taxation of pensions.

HMRC powers

HMRC has extensive civil powers to obtain information and documents from taxpayers and third parties, including tax advisers. Since the new system of information powers was introduced in FA 2008, the government has amended the legislation almost every year, including in relation to obtaining information from third parties; keeping up to date with the plethora of HMRC's information powers is yet another challenge that tax advisers face. George Gillham and Hartley Foster provide an update on the plethora of information powers at HMRC's disposal.

Another HMRC power which we have seen increasing reports about are those to assist them in resolving tax disputes in the form of Follower Notices and Accelerated Payment Notices. Complying with a Follower Notice irrevocably determines the taxpayer's position which might not be what the taxpayer intends to do at such an early stage. Careful consideration of the basis of HMRC issuing a Follower Notice and Accelerated Payment Notice is required as there could be scope to challenge the notices if all the requirements to issue them have not been satisfied. Hilesh Chavda and Elyse Waller provide guidance on dealing with Follower Notices.

CIOT Prize winner articles

This month, we have three of our popular series of articles from CIOT prize winners. Each article features an area from their studies which interested them and aim to provide useful updates and refreshers. Charlotte Huntley provides a refresher on EMI Scheme conditions, looking at the associated benefits and potential pitfalls involved, Andrew Symons examines the CGT implications of assignment and grant of land leases and Nandeesh Mehta considers the differences in accounting for R&D claims by large and small companies, and the importance of putting a process in place to ensure that claims are being processed accurately.