HMRC guidance: issues with accuracy, access and timing

General Features | Indirect Tax

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The impact of unclear and out of date guidance can be a significant barrier to the smooth and fair operation of the tax system. This is an issue that our members regularly contact us about. What can be done to improve the current situation?

What are the issues?

The role of guidance is crucial in communicating to self-assessing taxpayers what HMRC's interpretation of the law is, particularly when dealing with areas of complexity. We anticipate that guidance will become even more important with the pace of change and increase in secondary legislation that will come with Brexit and Making Tax Digital.

There are many issues relating to HMRC guidance but they can largely be distilled into two categories:

1. Accuracy (quality of guidance)
2. Timing (availability on Gov.UK)

Members regularly report to us problems that mean it is increasingly difficult for taxpayers, advisers and HMRC staff to access the latest policy position. Where information is up to date, it can be excessively difficult to find. Even when updates are made, it is often challenging to identify its impact and significance because the update replaces what was online.

These issues have a serious impact on business and affect all stakeholders; in particular unrepresented taxpayers. All taxpayers need to be able to use Gov.uk to access information upon which they should be able to rely, in order to make decisions about their own tax affairs.

What is the CIOT doing about this?

We met recently with Ruth Stanier (HMRC Director, Customs & Indirect Tax Directorate) and Eileen Patching OBE (HMRC Deputy Director, VAT Principles and Risk), to raise our concerns in relation to HMRC guidance, and we provided a working document listing issues and examples of problems.

Ruth Stanier confirmed that guidance is an area of focus for HMRC and they are addressing the various issues raised; working openly with the Joint VAT Consultative Committee (on which the CIOT is represented) to prioritise and report back on issues raised there.

Eileen Patching invited our members to use a dedicated email address that has been set up by HMRC to receive examples of problems with guidance – customerexperience.indirecttaxes@hmrc.gsi.gov.uk. We encourage our members to use this and should be grateful if you could copy in technical@ciot.org.uk with any issues you raise so that we can monitor progress with HMRC.

It was also confirmed that additional funding has been secured to create a team dedicated to improving Indirect Tax guidance (especially in light of the anticipated increase in need for guidance in relation to Brexit). This team will undertake a root and branch audit to establish what specific guidance will need to be changed as a consequence of Brexit and what to plan for in the future.

Other steps we have taken on this issue are:

- consistently addressing the need for clear legislation, supported by accurate, timely and clear guidance in our consultation responses to HMRC.
- continuing to raise the issue through the various forums we are represented at (for example Joint VAT Consultative Committee, Finance Liaison Group, Insurance Liaison Group, Land and Property Liaison Group, VAT Practitioners Group & Joint Alcohol and Tobacco Consultative Group).
- Contributing to the preparation of draft guidance; working with HMRC.
- Highlighting this issue with the Office of Tax Simplification for inclusion in its VAT review due to be published in the Autumn.
- Creating a log of issues raised with us to be highlighted to HMRC and followed up on.
- Working with the Government Digital Service (GDS) on their projects ‘helping hold the government to account’ and content history (being able to view / track

differences between older guidance).

We acknowledge these issues are not contained to Indirect Tax and we are working across all the CIOT's technical sub-committees to address the wider problem.

This includes engaging with wider parts of HMRC and GDS, to address some of the technology and process barriers to getting content online in a timely fashion and pitched at appropriate levels.

If you would like to contribute to this work, please do get in touch at technical@ciot.org.uk or atttechnical@att.org.uk. We welcome your examples of problem guidance and the impact this has.