



# REVIEW OF VALUE ADDED TAX

Response by the Association of Taxation Technicians

## 1 INTRODUCTION

- 1.1 The Association of Taxation Technicians (ATT) is pleased to have the opportunity to respond to the discussion document Review of Value Added Tax that was published by Office of Tax Simplification in February 2017.

The primary charitable objective of the ATT is to promote education and the study of tax administration and practice. We place a strong emphasis on the practicalities of the tax system. Our work in this area draws heavily on the experience of our members who assist thousands of businesses and individuals to comply with their taxation obligations. This response is written with that background.

## 2 EXECUTIVE SUMMARY

### 2.1 *Identifying the implications of the registration threshold*

Raising or lowering the registration threshold doesn't make VAT simpler. It merely changes the cliff-edge effect for those who must register. The financial impact of the cliff-edge is often significant. FRS does mitigate this to a degree and consideration should be given how FRS (or something similar) could be used to mitigate it further.

Voluntary registration is often a useful means of reducing costs. Abolishing it would adversely affect many businesses.

Based upon the experience of those already registered small businesses cope well with accounting for VAT.

### 2.2 *Multiple rates: Cause of complexity?*

Boundary issues can be reduced by having fewer rates and exemptions or curtailed by lessening the scope of the zero, reduced rates and exemption schedule. However and as observed by the University of Exeter and University of Waiko Management School, VAT is often 'used to support a range of government policies' and is something which operates against the desire for fewer boundaries.

### **2.3 *Partial exemption methodologies***

An increase in the de minimis limits is long overdue. It would be easier to apply the de minimis limits if SMEs could use any fair and reasonable method to calculate the input relating to exempt supplies but currently it is difficult to agree special methods with HMRC.

### **2.4 *Opting to tax***

The proposal that all commercial building should be automatically opted to tax is likely to create as many difficulties as its proposers hope to solve.

Subject to data protection issues there should be open access to HMRC's data base of opted buildings. Alternatively any option to tax should be registered with the Land Registry Office in the same way as it is necessary to notify Land Registry of any charge against a property.

### **2.5 *Capital Goods scheme***

The £250,000 limit has never been increased. An increase in the limit is long overdue.

Making CGS intervals concurrent with trading years would help as both these and regular capital allowance adjustments would then be calculated according to the same base years. Further problems arise from the definitions of 'capital expenditure' and 'goods affixed' which do not correspond to definitions for capital allowances purposes.

### **2.6 *Special accounting schemes***

The Flat rate Scheme (FRS) and Cash Accounting (CA) are popular and widely used. Also the Annual Accounting Scheme (AAS) is a useful option for certain businesses. By contrast Agricultural flat rate scheme (AFRS) is little used and could be abolished. The Retail Schemes should be retained as they are a practical way of quantifying how much VAT is payable on large volumes of small value sales.

With regard to TOMS and subject to the Brexit negotiations, we suggest that the UK should either make it optional and more in line with other member states or abolish it.

### **2.7 *VAT admin, penalties and appeals processes***

Customer service has decreased in line with staffing numbers and the difference in HMRC's approach to helping large and small businesses is marked. Large businesses have a Customer Service Manager Officer readily available to help resolve tax issues. Such help is not available to small businesses.

When it is necessary to exercise judgment, taxpayers are denied certainty if they must take unilateral decisions based upon HMRC guidance material. Certainty is denied because their unilateral decision may differ from that of a reasonably minded HMRC officer.

We agree with those who tell you that the penalty system is too subjective. But this is not just a VAT issue. When making a voluntary disclosure on form VAT 652, businesses need to know with certainty that they will not incur a penalty.

Waiving default surcharge penalties of 2% or 5% has had some unexpected consequences and should be reviewed. Further HMRC could reconsider their decision to abolish this penalty as it has stood the test of time.

Appeals to the tax tribunals have become too formal and costly for small businesses. ADR is probably now the most practical and cost effective 'appeal' procedure for small businesses.

## **2.8 Formal ruling system**

Confirming how VAT should apply in a particular circumstance is now very difficult for SMEs. To obtain a clearance in writing they must write to the Written Clearances Team but this is a very restricted service.

Improving the service for obtaining 'assurances' with HMRC would provide great assistance to SMEs and contribute to making the administration of VAT more straightforward.

## **2.9 Making Tax digital**

There is no reason to believe that MTD can improve or make better how businesses cope with making decisions like whether a Jaffa cake is or is not a chocolate biscuit easier. Also MTD has the potential to make filing VAT returns more complicated as MTD is likely to require more information fields.

# **3 IDENTIFYING THE IMPLICATIONS OF THE REGISTRATION THRESHOLD**

- 3.1** Changing the registration threshold does not make VAT simpler. Any change to it merely alters the cliff edge effect for those who must register.
- 3.2** The adverse cliff-edge is greatest for those businesses which face customer resistance to them adding VAT to their prices. If due to competitive pressures the registering business is unable to add VAT to its prices, it effectively takes a price cut and profits suffer. The Flat Rate Scheme can be used to reduce this financial hit.
- 3.3** The net tax payable to HMRC is normally less when using FRS. This gain eases the financial impact for newly registered businesses which are unable to increase their prices to recover the VAT due after registering.
- 3.4** Three groups of micro-businesses are mostly likely to register voluntarily. These are micro-businesses making zero rated supplies, those whose customers are mostly VAT registered businesses and those who incur high upfront costs. In these cases the reason for registering is mainly financial.

- 3.5 If the client base is all or mostly VAT registered businesses, micro-businesses are best advised to register voluntarily. They normally do not have to absorb any output tax whilst being able to reclaim input tax. This increases their profits.
- 3.6 Often there can be a long lead time between incurring high upfront costs and making the first sales. Businesses in this position want to register voluntarily.
- 3.7 Businesses making mainly zero rated sales are in a similar position. The sales are not burdened with VAT but they may reclaim the VAT incurred on costs.
- 3.8 Without voluntary registrations there would be more inequality between similar businesses trading just below and just above the threshold. Currently a business making wholly or mainly zero rated sales may register voluntarily and reclaim input tax. Its cost base is then similar or the same as a like business which is VAT registered. If food producers and exporters trading below the threshold are unable to register, they must absorb the VAT paid on costs and then this flows through to the customer in form of higher prices. This becomes a hidden tax on food production and exports.
- 3.9 Lowering the threshold directly impacts on businesses whose customers are mainly or wholly persons who are unable to reclaim VAT. These businesses face the dilemma of how much they can raise prices to recoup the VAT which is due after registration. There is no such dilemma for businesses with customers who may reclaim VAT. Lowering the threshold may, however, reduce the impact of the cliff-edge as the cost of transitioning to being VAT registered will be smaller overall.
- 3.10 There is every reason to think that even the smallest businesses cope well with VAT. Over two million of these are VAT registered. To their credit, the great majority of these operate and apply VAT very well. This indicates that others would do the same if the VAT threshold was lowered.

#### 4 MULTIPLE RATES: CAUSES OF COMPLEXITY?

- 4.1 Complexities arise due to having three rates of VAT, categories of supplies which are exempt from tax and because VAT applies only to goods and services supplied in the course or furtherance of a business. It is factors which cause the boundary issues and complexities to which the report refers.
- 4.2 Very obviously fewer rates and exemptions reducing the exceptions will reduce the boundary issues. New Zealand was able to introduce a broad based GST with few exceptions. This has not been possible in the UK. The reasons why are summarised in a joint study by the University of Exeter and the University of Waiko Management School as follows<sup>1</sup>:

‘One of the main advantages of VAT/GST is that such a tax has proved adaptable to the perceived needs or preferences of the host country. For instance, while NZ was able to

---

<sup>1</sup> Successful Tax Reform: The Experience of Value Added Tax in the United Kingdom and Goods and Services Tax in New Zealand by Simon James (University of Exeter) and Clinton Alley (University of Waikato Management School)

introduce successfully a very broad based tax, the situation in the UK was such that it was not possible to gain political support for the taxation of certain items such as food, children's clothes and domestic fuel and power. Even subsequent attempts have not been successful. For example, domestic fuel and power had been zero-rated when VAT was introduced in 1973. With increasing concerns about the consumption of fossil fuels it became subject to a rate of 8% in 1994 with the intention that it be should be subject to the full rate of VAT from 1995. It then became clear again that this was a very sensitive area politically and the second increase was abandoned. In fact the rate of tax on domestic fuel and power was reduced to 5% in 1997 and this rate has since been used frequently to favour a range of other areas - for example, energy saving materials for home insulation from 2000, children's safety car seats and women's sanitary products from 2001, extending the coverage for energy saving materials in 2005, contraceptive products from 2006 and smoking cessation products from 2007. Although, of course, such changes have reduced the broadness of the tax, they have allowed VAT to be used to support a range of government policies.'

- 4.3 The evidence gathered by these writers is testament to the fact that without the political will to broaden the tax base, VAT in the UK will continue to have many problematic boundaries.
- 4.4 The best available resource for identifying the most problematic boundary problems is HMRC's VAT manuals. Usually HMRC has a guidance manual for the supplies or trade sectors with the most complicated boundary issues.
- 4.5 The market economy will create new boundary issues. Often these will not be apparent until a product is launched. Due to this VAT legislation will always lag behind market developments.
- 4.6 What is meant by allowing 'more leeway for reasonable trade decisions' is not clear. Without further information we are unable to form a view on whether this would help simplify VAT.
- 4.7 After identifying from HMRC resources some of the most complex areas we would support a review programme intended to where possible amend definitions to a make them more appropriate to today's market and social needs.
- 4.8 For example the provision of education has changed radically over recent years. The changes have produced unforeseen complications. Many of the complications and boundary issues could be eradicated by making education liable to 5% and thus ridding the industry of disputes over whether certain supplies are exempt or taxable and quantifying how much input tax may be reclaimed.

## 5 PARTIAL EXEMPTION METHODOLOGIES

### 5.1 *Partial exemption methods*

- 5.1.1 When the partial exemption regulations apply is not always clear to taxpayers. If the taxpayer is alert to the consequences of making exempt supplies they often do not know from when the

regulations apply. It is easy to presume that partial exemption kicks in when the exempt income arises rather than when the first VAT bearing related cost is incurred.

- 5.1.2 An increase in the de minimis limits is long overdue. They were last reviewed in 2002 or earlier.
- 5.1.3 The de minimis limits do not simplify partial exemption. They are there to allow businesses to reclaim small amounts of input tax attributable to exempt supplies. It is necessary to quantify this input tax to know if it is within the de minimis limits. This must be done using a partial exemption method. Thus affected persons must carry out all the necessary partial exemption workings before considering the de minimis limits.
- 5.1.4 Sector-specific methodologies are not likely to help many SMEs and micro businesses. These are very diverse businesses and many will not be organised on a business model for which sector-specific methodologies are designed.
- 5.1.5 Special methods are more suited to the diverse and varied structures of SMEs and micro-businesses. We believe more of these would be used if HMRC was more accessible. To agree a method by correspondence is often difficult and time consuming as important subtleties can be missed. Both parties can be guilty of missing or misconstruing some issues raised by the other side. Sometimes it takes a meeting to properly explain the business structure and what management records are maintained.
- 5.1.6 It would be easier to apply the de minimis limits if SMEs could use any fair and reasonable method to calculate the input relating to exempt supplies.

## **5.2 Option to tax**

- 5.2.1 Here again there are boundary issues as only commercial buildings may be opted to tax. Extending opting to tax to residential and charity buildings would reduce the number of boundaries but it is unlikely that Parliament will want to do this. Thus whilst it is acceptable to tax commercial buildings but not residential or charity ones these boundaries will continue.
- 5.2.2 It is not understood how these boundaries would decrease or be eased if by default all commercial buildings and land were opted to tax. This proposal is likely to create as many difficulties as its proposers hope to solve.
- 5.2.3 The anti-avoidance measure in Regulation 12 of Schedule 10 of VATA 1994 causes many problems. Whilst we understand the reasons for it this may be a good time to attempt to make it more straightforward.
- 5.2.4 As HMRC must be notified of every option to tax they must already have a data base of the opted to tax properties. Accordingly they must have a data base such as suggested by OTS. Subject to data protection issues there seem no good reasons for not allowing more open access to these records. We consider this should be achievable by better resourcing of the option to tax office and ridding the system of the delays which are a significant problem for all involved with buying and selling commercial property.

- 5.2.5 Another idea may be to make it mandatory to register any option to tax with the Land Registry Office in the same way as it is necessary to notify Land Registry of any charge against the property.

### **5.3 Capital Goods Scheme (CGS)**

- 5.3.1 CGS would be more straightforward if it applied to all assets exceeding a certain value especially as businesses are used to keeping an assets register for other taxes. Thus the same assets register could be used for direct taxes and CGS purposes. Also making CGS intervals concurrent with trading years would help as both these and regular capital allowance adjustment calculated according to the same base years.
- 5.3.2 A different strand of problems arise from the definitions of 'capital expenditure' and 'goods affixed', which do not correspond to definitions for capital allowances purposes. The inclusion of refurbishments in CGS causes a lot of confusion, especially if it is not clear whether there has been a single refurbishment or multiple refurbishments in a rolling programme.
- 5.3.3 The £250,000 limit has never been increased whilst property prices have increased considerable since CGS was introduced. An increase in the limit is long overdue.
- 5.3.4 There are also record keeping burdens for businesses as records may have to be preserved for up to eleven or sixteen years due to the need to keep the final years records for a further six years.

## **6 SPECIAL ACCOUNTING SCHEMES**

### **6.1 Flat rate accounting scheme ('FRS'), Cash accounting schemes (CAS) & Annual Accounting Scheme ('AAS')**

- 6.1.1 In the main these three schemes are straightforward to use. FRS and Cash Accounting are popular and widely used. Whilst we believe AAS is used the least it remains a useful option for certain businesses. We do not have any particular issues with any of these.
- 6.1.2 There is always scope for adapting the schemes as commerce and industry changes. We consider the issues raised in the report to be on-going development rather than a means of significantly simplifying the application or administration of VAT.
- 6.1.3 The recent measures aimed at limited cost traders have affected businesses that have legitimate business expenditure that is not in the form of goods. Perhaps this could be looked at along with a review of business categories.
- 6.1.4 Fewer FRS categories may not help users but more tolerance with corrections when the wrong category is chosen would help. For example corrective action should not be required if the rate is very close to that allocated to the correct category.

## 6.2 **Retail Schemes**

- 6.2.1 The retail sector must cope with quantifying the VAT due on high volumes of low value sales to which different rates of VAT apply. Retail schemes are designed to assist with this and without any practical alternative they remain relevant today.
- 6.2.2 Scheme F has increased in use due to modern technology. This is likely to continue as more and more businesses use bar coding and modern accounting software. Arguably Scheme F is standard VAT accounting because sales are recorded individually at the point of sale. However as more and more businesses use this Scheme it may make some of the other schemes redundant.
- 6.2.3 There seems no good reason to abolish Retail Schemes as they are practical way of quantifying how much VAT is payable on large volumes of small value sales.

## 6.3 **Agricultural flat rate scheme**

- 6.3.1 As this is an EU scheme – Directive 112/206, art 295 could be abolished after Brexit. We have little experience of this EU scheme because very few farmers use it. Based upon consultation meetings with HMRC we believe the number may be as low as 200. Thus very few businesses would be affected if it were abolished.

## 6.4 **Tour Operators Margin Scheme (TOMS)**

- 6.4.1 TOMS was originally designed as a business facilitation mechanism in that it enabled businesses to account for VAT on the margin rather than needing to register for VAT in other EU countries. However, it has now become so complicated that it has become more of a hindrance than a facilitation.
- 6.4.2 The long term future of TOMS is in doubt:
- It is debatable whether we will still need it in its current form in a post Brexit Britain. So, where a package of services is supplied that bear different VAT rates, normal accounting can be used and CPP principles would determine the rate of VAT applicable to the combined package.
  - The European Commission seems to be heading in the direction of the One Stop Shop for intra EU B2C transactions which would remove the original rationale behind TOMS.
  - The general feeling amongst those businesses required to use TOMS is that HMRC interpret the scope of TOMS too widely. For example: A UK business running a conference in the UK for business delegates from all over the World as obliged to use TOMS on the basis that the delegate fee covered a number of elements including:
    - i. Attendance at conference sessions
    - ii. Meals
    - iii. Social events
    - iv. Transport to venues

The delegates arranged and paid for their own travel and accommodation throughout the period of the conference.

In our example it was mandatory to use TOMS. The UK business would have preferred to use normal accounting and apply and account for VAT on the full delegate fee and recover input tax on



UK costs in the normal way. The net VAT result would have been the same as achieved by using TOMS but would have:

- v. Removed the need to perform the complex TOMS calculation
- vi. Enabled the delegates to recover the VAT on the delegate fees

The organisation upon which our example is based above runs conferences annually in various parts of the EU and registers for VAT locally as and when required. To date none of those EU member states has ever required use of the local equivalent of TOMS. Countries visited in the recent past include Denmark, Germany, Hungary and the Republic of Ireland.

6.4.3 The TOMS calculation and the interpretation of what needs to be included in it is so complex that it is difficult for businesses to understand what is required and ensure that the calculation is performed correctly. HMRC officers likewise find it difficult to understand and administer. This results in:

- Higher compliance costs for the business trying to use TOMS: and
- Extra time taken during assurance visits which adds to the costs for both HMRC and the business.

6.4.4 Whilst UK businesses are obliged to use TOMS we would like HMRC to take a more relaxed view of the scope of the scheme. It would be helpful if they liaised with other member states to find out how they apply it in order to obtain some useful pointers and more consistency with other member states.

6.4.5 In the long term, and subject to the Brexit negotiations, we suggest that the UK should either:

1. Make it optional and more in line with other member states; or
2. Get rid of it altogether.

## 7 VAT ADMIN, PENALTIES AND APPEAL PROCESSES

### 7.1 *HMRC structural changes*

7.1.1 Year on year HMRC have made changes to reduce their staffing levels and to introduce a more centralised structure. Whilst this may have driven down costs it is not always perceived as being best for their 'customers'.

7.1.2 'Customer' services has decreased in line with staffing numbers. Although much of the tax collection process can be automated, there is still a need for easy access to HMRC staff and for HMRC staff to have regular contact with its 'customers'.

7.1.3 The difference in HMRC's approach to helping large and small businesses is marked. Large businesses have a Customer Service Manager who is approachable and readily available to help resolve tax issues. Small businesses are denied such easily accessible help. They are told VAT is a

self-assessment tax and all the information they need should be available in HMRC's guidance. For reasons which are expanded below it cannot be.

## **7.2 Administration**

- 7.2.1 HMRC's efforts to improve their guidance should be commended. However it is unreasonable to expect the guidance to keep pace with product development and to provide an answer to every commercial transaction. The guidance cannot cover every eventuality or situation nor can it be comprehensive enough to provide answers to all the varied questions raised by modern businesses.
- 7.2.2 Most significantly it cannot provide a definite answer in situations when based upon the facts reasonably minded persons might come to different conclusions. For example many reasonably minded person considered whatever guidance was available in an effort to decide whether Jaffa cakes were biscuits or cakes. We now know they are cakes but the litigation amply demonstrates that reasonable people considering the same facts can reach differing decisions.
- 7.2.3 In cases where it is necessary to exercise judgment taxpayers are denied certainty if they must take unilateral decisions. Certainty is denied because their unilateral decision may differ from that of a reasonably minded HMRC officer.

## **7.3 Penalties**

- 7.3.1 We agree with those who tell you that the penalty system is too subjective. This is not just a VAT issue. However you are reviewing VAT and for this reason we will comment only matters which are specific to VAT.
- 7.3.2 Businesses who make a voluntary disclosure on form VAT 652 should know that they will not incur a penalty. When they think they might incur one they are less likely to be open and transparent about what has happened. Some may take the view that it is better to correct the error on a return. Then it may never come to HMRC's attention which reduces the chance of a penalty.
- 7.3.3 When making a voluntary disclosure on form VAT 652, businesses need to know with certainty that they will not incur a penalty. This would encourage business to make these declarations.
- 7.3.4 Default surcharge penalties at 2% or 5% are waived when the amount due is less than £400. This well intended policy has had some unexpected consequences.
- 7.3.5 When the penalty is nil, some businesses fail to take seriously that they are in the default surcharge regime. They are then surprised when confronted by larger penalties and it is this which stirs them into doing something. We suggest HMRC undertake research into the unexpected consequences of waiving the small 2% or 5% penalties.
- 7.3.6 The default surcharge is due to be abolished. Perhaps HMRC should reconsider this as the system has stood the test of time and instead consider retaining it.

#### **7.4 Appeals process**

- 7.4.1 Members do not tell us that they find the statutory review process complex. Their dissatisfaction is more linked to expectation and communications. The perception is that the reviewing officer merely confirms the original decision.
- 7.4.2 A problem is that statutory reviews are always done on papers. When reviewing matters from paper simple misunderstanding can arise and opportunities for compromise are easily missed. This is not the fault of HMRC or the taxpayer as both may misinterpret what is said in correspondence.
- 7.4.3 ADR is not done on paper. Instead it facilitates direct contact between the parties. This may be telephone conferences or face to face meetings. By comparison with reviews done on papers the direct negotiations have a much higher success rate.
- 7.4.4 VAT disputes are not always appropriate for the ADR process. For example they are unsuitable to disputes where there can be no compromise (eg deciding if a Jaffa cake is a biscuit or a cake) and due to the nature of the tax there are more of these cases in VAT than other taxes. However ADR should be encouraged for VAT disputes as it a means of entering into direct negotiations with HMRC and statistically this is having better outcomes.
- 7.4.5 Mostly HMRC provide the ADR mediator but many small businesses may prefer an independent mediator. However many small businesses will not afford or be able to afford to pay for an independent mediator. Consideration should be given to devising a payment structure which makes an independent mediator easily affordable for small businesses.
- 7.4.6 Past and future changes to the tribunal appeal make it more difficult and costly for SMEs and micro-business to pursue a formal appeal. These appeals are becoming too costly for small businesses.
- 7.4.7 ADR is probably now the most practical 'appeal' procedure for small businesses. It is the most informal and least costly and should be used more often.

## **8 FORMAL RULING SYSTEM**

- 8.1 There are particular problems when it is necessary to exercise judgement based upon the known facts. The guidance cannot do this and it is unrealistic to expect to always find an answer in HMRC's guidance.
- 8.2 For example different persons reached different conclusions when trying to decide if Jaffa cakes were chocolate biscuits or cakes. It is difficult to perceive that HMRC could publish sufficient guidance to give a definitive answer to issues like this. There will always be occasions when the guidance does not provide certainty or surety and the persons concerned wish to obtain a definite answer from HMRC and or the courts.

- 8.3** In Radu Florin Salomie, Nicole Vasile Oltean [2015] Case C-183/14 the taxpayer disputed that VAT was due on the sale of apartments. The taxpayer had considered the legislation and reached the conclusion that VAT was not due. In its decision the CJEU said of this as follows:
- ‘It should be added that, in view of the scale of the property transaction at issue consisting in the construction and sale of four buildings totalling more than 130 apartments, a prudent and well informed trader could not reasonably concluded that such a transaction would not be subject to VAT without having received, or at least sought, express assurances to that effect from the competent national authorities’.
- 8.4** Seeking assurance from HMRC is now difficult for SMEs. To obtain assurance or a clearance in writing they must write to the Written Clearances Team.
- 8.5** The Written Clearances team is very restrictive about when they will provide a written ‘assurance’. In practice they provide only a few hundred written clearances each year. This is to over two million SMEs.
- 8.6** HMRC regard SMEs and others as ‘customer’. As the ‘customers’ are not using the Written Clearance system it is necessary to ask why this is. This is most likely because it is not what the customer wants.
- 8.7** Improving the system for obtaining ‘assurances’ with HMRC would provide great assistance to SMEs and contribute to making the administration of VAT more straightforward.

## **9** VAT AND MAKING TAX DIGITAL ALIGNMENT OPPORTUNITIES

- 9.1** At various points in the Progress Report readers are asked about Making Tax Digital. Essentially OTS is asking if businesses and professionals believe MTD can be used to make or will result in improvements to the implementation of VAT.
- 9.2** If we understand matters correctly the aims of MTD are as far as possible to pre-populate HMRC systems and to move to more real time reporting. Neither of these issues is directly linked to the complexities faced when accounting for and reporting VAT.
- 9.3** Complexities when accounting for and reporting VAT arise due to boundaries and rights to reclaim input tax. The boundaries issues are not going to be reduced or made easier by MTD. For example MTD will not take away or eliminate the judgment calls which must be made when applying VAT. How could MTD have helped decide if Jaffa cakes were cakes or chocolate biscuits?
- 9.4** In addition VAT reporting is also very straightforward. It requires quarterly or monthly filing of relatively few business details. More businesses manage to do this themselves. Based upon what we know of MTD it is more likely than not to increase the reporting requirements. So contrary to making VAT reporting simpler it has the potential to make it more difficult.

## 10 CONTACT DETAILS

- 10.1** We would be pleased to join in any discussion related to this Consultation. Should you wish to discuss any aspect of this response, please contact our relevant Technical Officer, Will Silsby, on 01905 612098 or at: [wsilsby@att.org.uk](mailto:wsilsby@att.org.uk)

Yours sincerely

Michael Steed

Co-Chair of ATT Technical Steering Group

## 11 NOTE

- 11.1** The Association is a charity and the leading professional body for those providing UK tax compliance services. Our primary charitable objective is to promote education and the study of tax administration and practice. One of our key aims is to provide an appropriate qualification for individuals who undertake tax compliance work. Drawing on our members' practical experience and knowledge, we contribute to consultations on the development of the UK tax system and seek to ensure that, for the general public, it is workable and as fair as possible.

Our members are qualified by examination and practical experience. They commit to the highest standards of professional conduct and ensure that their tax knowledge is constantly kept up to date. Members may be found in private practice, commerce and industry, government and academia.

The Association has over 8,000 members and Fellows together with over 5,700 students. Members and Fellows use the practising title of 'Taxation Technician' or 'Taxation Technician (Fellow)' and the designatory letters 'ATT' and 'ATT (Fellow)' respectively.