

Welcome

Tax

HMRC Service

Consultations

Editorial

Keeping you informed

Introduction

Welcome to the 30th edition of Agent Update. In this edition we feature several consultation and discussion documents, information on the new way to register your client's business with HMRC online and guidance on understanding the online filing process for Employer Annual Returns. We give a further update on the Alternative Dispute Resolution pilot for small and medium enterprises and individual customers, as well as including links to the latest publications for employers, Working Together, pensions, VAT, and trusts and estates.

As ever, we recognise that not all topics will be relevant to you. By scanning the brief introductions to each piece, you should be able to identify the topics that are relevant to you within a couple of minutes. You can then follow the link to view the full information.

Don't forget to register with us. You can sign up for email reminders as each edition is published. To do so, please use the link below.

[Sign up to receive email reminders of future issues of Agent Update](#)

Tax

Developments and changes to legislation and allowances relating to UK tax.

HMRC service

Changes to HMRC service, upcoming HMRC events and guidance.

Consultations

Details of live consultations and response summaries.

This month's top articles

[Joint initiative on HMRC service delivery](#)

Read the latest update on the joint initiative between HMRC and key stakeholders regarding service delivery.

[New bereavement centre for PAYE and Self Assessment customers](#)

Following collaboration with tax agents and the voluntary sector, HMRC has improved and streamlined the processes for people who have suffered bereavement and who need to contact HMRC.

[New HMRC Tax Calculator](#)

HMRC has published a new calculator - available online and as a mobile phone app - which can be used to estimate the amount of Income Tax and NICs individuals can expect to pay on their income.

section ends

Welcome

Tax

HMRC Service

Consultations

Editorial

Charities

[Using the correct Gift Aid repayment form](#)

The 'intelligent' R68i Gift Aid and tax repayment claim form has been available since March 2011 and is used for the majority of claims. All charities should use this form.

Compliance

[Alternative Dispute Resolution trial for small and medium enterprises \(SME\) and individual customers](#)

Following feedback from agents and their clients, HMRC is now accepting applications for the second stage of the Alternative Dispute Resolution trial, to test how it can resolve disputes between HMRC and our customers at an early stage. SME, individual customers and agents can make their applications online.

[Higher penalties for Income Tax and Capital Gains Tax involving offshore matters](#)

Detailed information is available about the higher penalties that HMRC may charge for Income Tax and Capital Gains Tax when an offshore matter is involved.

[Changes to the taxation of non-domiciled individuals](#)

Find interim guidance on proposed changes to the taxation of non-domiciled individuals from 5 April 2012.

Corporation Tax

[Filing Company Tax Returns online: the XBRL tagging requirement](#)

HMRC has published a statement explaining that from April 2013 there will be no major extension to the list of specified information which must have an XBRL tag.

[Revised claims to group relief following Mutual Agreement Procedure \(MAP\)](#)

HMRC has published new guidance which explains when they will accept revised claims to relief from group companies arising from a MAP settlement.

Excise Duty

[Machine Games Duty \(MGD\)](#)

We informed you in Agent Update 29 that MGD will be implemented on 1 February 2013 and will replace Amusement Machine Licence Duty. More information about how agents can register to file online will be issued shortly.

Fuel rates

[Advisory fuel rates updated](#)

HMRC has published the advisory fuel rates to operate from 1 June 2012.

[section continues>](#)

Welcome

Tax

HMRC Service

Consultations

Editorial

National minimum wage

[National minimum wage rates from 1 October 2012](#)

Find information about increases to the national minimum wage rates on the Directgov website.

PAYE

[Company car tax: security enhanced cars](#)

HMRC has published interim guidance for employers on the completion of forms P11D, for employees who have been provided a car with certain security enhancements whose employment creates a threat to their personal security.

[Late filing penalties for 2011-12 Employer Annual Returns](#)

If you haven't yet filed your clients 2011-12 Employer Annual Return they will be charged a late filing penalty.

[Update on use of Electronic Data Interchange \(EDI\) for sending PAYE information in real time](#)

HMRC has published an update on the Real Time Information pilot and the use of EDI during the transition period.

[Change to Employer and Support Allowance \(ESA\) linking rules](#)

The link to ESA for employees who have recently received ESA has now been reduced from 104 weeks to 12 weeks from 1 May 2012.

Pension schemes

[Publication of Qualifying Recognised Overseas Pension \(QROPS\) regulations](#)

Statutory Instrument 2012/1221 supports the changes to the QROPS regime published on 21 March 2012. It prevents a new type of Guernsey scheme called a '157E scheme' from being a QROPS if it is open to non-residents.

[Find further information about the 157E scheme](#)

[Statutory Instrument 2012/1221](#)

[Find the latest update to the QROPS list](#)

Repayments

[Structured Action Request \(SAR\) - online repayments](#)

If a Self Assessment tax return is submitted showing authority for the repayment to be paid to the agent, but the customer's agent then submits a SAR to get it through Self Assessment Online, there will be a delay while the customer is contacted to confirm who should receive the repayment.

[section continues>](#)

Welcome

Tax

HMRC Service

Consultations

Editorial

Revenue & Customs Briefs

[Revenue & Customs Brief 10/12](#)

This Brief explains that HMRC now accepts that European Union/European Economic Area seafarers were entitled to Seafarers' Earnings Deduction before 6 April 2011 if they met the full qualifying conditions for this relief.

[Revenue & Customs Brief 11/12](#)

This Brief announces a consultation on updating road fuel scale charges and inviting historic claims in certain circumstances.

[Revenue & Customs Brief 13/12](#)

This Brief is aimed predominantly at professional tax advisors and lawyers. While the judgment in Banca Antoniana concerned VAT, the judgment, and this Brief applies to all of the taxes previously administered by HM Customs & Excise.

[Revenue & Customs Brief 14/12](#)

HMRC's approach in determining who holds beneficial ownership of shares underlying depositary receipts has not changed following the First-tier Tribunal decision in HSBC Holdings & Bank of New York Mellon vs HMRC. This Brief clarifies HMRC's views in terms of tax on capital gains.

[Read the response to the decision in terms of Stamp Duty Reserve Tax](#)

[Revenue & Customs Brief 18/12](#)

This Brief clarifies the Landfill Tax treatment of material used on a landfill site and the classification of waste published in Revenue & Customs Brief 15/12.

VAT

[VAT on face value vouchers](#)

The Government has announced a change in legislation to protect public finances and prevent tax avoidance.

[VAT Finance Manual](#)

HMRC has updated the VAT finance and insurance manuals, to provide guidance on the Financial Services Authority's retail distribution review, which introduces new regulatory rules from 31 December 2012 for financial advisers.

[Find updated guidance in the VAT Finance Manual](#)

[Read updated guidance in the VAT Insurance Manual](#)

[VAT Notices](#)

HMRC has updated a number of VAT Notices, which can be found from the links below:

[VAT Notice 700 The VAT Guide](#)

[VAT Notice 727 Retail Schemes](#)

[VAT Notice 742 Land and property](#)

VAT Notice 701/36 has also been updated to include a new paragraph at 12.6, which details the easement agreed in relation to brokers' services in respect of marine insurance placed by insurance brokers under market reform contracts.

[Find out more in VAT Notice 701/36 Insurance](#)

section ends

Welcome

Tax

HMRC Service

Consultations

Editorial

Agent authorisation

[Setting up client authorisation with HMRC](#)

Please remember that HMRC cannot discuss customer details with third parties without authorisation. Without this authority HMRC cannot respond to queries, and must send information direct to the client.

Compliance

[Six taskforces to tackle tax dodgers launched](#)

HMRC has launched six new taskforces which are expected to recover more than £23 million from tax dodgers.

Contact

[Twitter](#)

Tweets cover information about HMRC and tax - including news, publications, information, consultations, speeches and publicity campaigns. Please follow us on Twitter @HMRCgovuk.

Corporation Tax

[Corporation Tax Online - software and online forms](#)

The list of HMRC recognised commercial software that is compatible with the Corporation Tax online service has been updated.

HMRC service

[Joint initiative on HMRC service delivery](#)

Read the latest update on the joint initiative between HMRC and key stakeholders regarding service delivery.

[New bereavement centre for PAYE and Self Assessment customers](#)

Following collaboration with tax agents and the voluntary sector, HMRC has improved and streamlined the processes for people who have suffered bereavement and who need to contact HMRC.

Manuals

[Recent manual updates](#)

You can check the latest updates to HMRC manuals or subscribe to be notified when changes are made.

[section continues>](#)

Welcome

Tax

HMRC Service

Consultations

Editorial

Online

[New way to register your client's business with HMRC](#)

HMRC has launched the Online Tax Registration Service, which allows businesses to notify HMRC when they start up in business, take on employees for the first time or need to register for VAT. Whilst HMRC is encouraging agents and businesses to use this service, traditional channels for providing this information remain.

[New HMRC Tax Calculator](#)

HMRC has published a new calculator - available online and as a mobile phone app - which can be used to estimate the amount of Income Tax and NICs individuals can expect to pay on their income.

[Future online services downtime](#)

Information is available on any downtime that may affect the availability of HMRC's online services. Please note that the information is subject to change and confirmation by HMRC's IT provider.

[Online security - stay safe online](#)

HMRC continuously monitors systems and customer records to guard against fraudulent activity. The methods fraudsters use to obtain information are constantly changing, so HMRC provides regular updates on the type of scams it is aware of. If you have any concerns regarding the authenticity of any emails received from HMRC, go to the online security pages for more information.

PAYE

[Understanding the online filing process for Employer Annual Returns](#)

HMRC has expanded the information on the authentication and validation process to include details about the response messages received when using each of the main ways to file online.

[Letters about outstanding Employer Annual Returns](#)

HMRC will write to employers and their authorised agents where a return remains outstanding after 19 May 2012 advising that a penalty may already have been incurred and to avoid further penalties the return must be submitted by 19 June 2012.

[PAYE Desktop Viewer \(PDV\) - required update for all users](#)

Changes to the PAYE notices mean that the PDV software has had to be updated. Before you can receive the latest versions of these notices you must download and install the latest version of PDV.

Paying HMRC

[Paying HMRC without a payslip](#)

There has been an increase in the number of agents amending clients' payslips to use for another client. This can result in the payment being wrongly allocated, so please follow the guidance on the HMRC website.

[Find information on paying Corporation Tax if you don't have a payslip](#)

[Read more about paying PAYE if you don't have a payslip](#)

[How to pay Self Assessment if you don't have a payslip](#)

[section continues>](#)

Welcome

Tax

HMRC Service

Consultations

Editorial

Publications

[Employment-Related Shares & Securities Bulletin](#)

The first 'Employment-Related Shares & Securities Bulletin' has been published, providing information and updates on developments relating to employment-related securities, including the tax-advantaged employee share schemes.

[Trusts & Estates Newsletter - April 2012 edition](#)

The April edition of the HMRC Trusts & Estates newsletter details the latest news and updates on Inheritance Tax and the taxation of trusts, for trusts and estates practitioners.

[Working Together issue 48](#)

This edition contains the latest update on the work being taken forward by agent representative bodies and HMRC to improve service standards, information about where to send P11D, P11D(b), S336 claims and an update on the work being taken forward under the agent strategy. This publication also advises of the recent updates to the Working Together pages on the HMRC website.

[Find further information on the Working Together partnership](#)

Self Assessment

[Student loans - a new factsheet for agents](#)

HMRC has published a factsheet for agents to help them deal with those Self Assessment clients with a student loan.

Tax credits

[How HMRC handles tax credits overpayments](#)

HMRC has updated the guidance for those people who help or advise tax credits clients.

Toolkits

[Toolkits to help minimise common errors - update](#)

HMRC has updated the following toolkits to assist agents when completing their clients' 2011-12 returns:

- Business Profits Toolkit
- Capital vs Revenue Expenditure Toolkit
- Company Losses Toolkit
- Directors Loan Account Toolkit
- Property Rental Toolkit

section ends

Welcome

Tax

HMRC Service

Consultations

Editorial

Current consultations

[VAT: changes to VAT invoice rules - closes 12 July](#)

This technical note explains the changes to the existing UK VAT invoicing rules to reflect the changes introduced by the EU Council Directive 2010/45/EU.

[VAT: road fuel scale charges - closes 20 July](#)

This technical note is about legislating to bring the UK law on deemed supplies of road fuel used in private journeys into line with European Union rules. The changes will obviate the need for two concessions currently applied in this area.

[Employee share schemes - closes 31 July](#)

This consultation seeks your views on the employee share schemes statistics tables and also asking about how HMRC could change the tables.

[Consultation into the taxation of controlling persons - closes 16 August](#)

This is a consultation about the engagement practices of controlling persons. It proposes that a provision is introduced to make sure that controlling persons have Income Tax (PAYE) and National Insurance deducted at source by the engaging organisation.

[Withdrawing a notice to file a Self Assessment return - closes 16 August](#)

This consultation seeks views on a proposal to introduce a statutory power allowing HMRC to withdraw a notice to file a Self Assessment tax return where it is appropriate to do so.

[Taxation of unauthorised unit trusts - closes 20 August](#)

This consultation document seeks views from tax practitioners, investors, fund managers, administrators and other interested parties on the proposed changes to the tax rules for unauthorised unit trusts and their investors.

[Consultation on a disincorporation relief - closes 30 August](#)

The Office of Tax Simplification proposed a relief against possible tax charges faced by businesses wishing to change legal form from limited companies to self-employed (disincorporation). This consultation is seeking views on the demand for, and barriers to, disincorporation and whether the proposed relief addresses these barriers.

[Securing compliance with Real Time Information \(RTI\) - closes 6 September](#)

This consultation seeks views on how HMRC can maximise compliance with RTI, including proposals for the late filing and late payment penalty models.

[General anti-abuse rule \(GAAR\) consultation document - closes 14 September](#)

This consultation seeks comments on the details of the proposal to introduce a GAAR, including draft legislation.

Summary of responses

[Modernising customs and excise law](#)

This document summarises the responses to the consultation on modernising customs and excise law.

section ends

Welcome

Tax

HMRC Service

Consultations

Editorial

A note from the editor

Next steps for the tax agent strategy

During the last three months we've been visiting volunteer agents to talk through our proposals for the enrolment and self-serve elements of the agent strategy. We've learnt more about how you work in practice and taken note of your concerns. As the first steps to self-serve, we're on track to introduce a quicker and easier online agent authorisation process, the facility for agents to see client information on the Business Tax Dashboard, as well as a new enrolment process.

The strategy marks a fundamental shift in the agent/HMRC relationship for the future and will be implemented over a number of years. The current activity is putting in place the building blocks (and the right IT platforms) to enable 'known' agents to complete more transactions online in the future.

[Read HMRC's response to the consultation 'Establishing the future relationship with the tax agent community and HM Revenue & Customs'](#)

Agent engagement and standards

We acknowledge the concerns expressed by agents and representative bodies about this part of the strategy. We're working closely with the main representative bodies to make sure we take the time for thorough discussion and consultation. A further consultation (on standards oversight and safeguards) is planned for later this year.

We will continue to work closely with the Joint Tax Agent Strategy Steering Group (JTASSG) as this work moves forward.

[Find more information on the JTASSG](#)

If you have any queries regarding this publication please [contact the editor](#).

section ends

