

Welcome

Tax

HMRC Service

Consultations

Editorial

Keeping you informed

Introduction

Welcome to the 27th edition of Agent Update. In this edition we feature several consultation and discussion documents and the latest updated toolkits to help reduce errors. We also include information on PAYE payment deadline dates and what your clients can do if they can't pay. There's a reminder about Self Assessment late filing penalties, and guidance to help you manage the 31 January 2012 deadline. We also link to publications that include the latest updates for employers, Working Together, trusts and estates, pensions and VAT.

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 click on the link to view the full information.

Don't forget to register with us. You can now 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

[Self Assessment deadline](#)

HMRC has brought together guidance for tax agents and advisers to help you manage the 31 January 2012 Self Assessment deadline.

[Joint Tax Agent Strategy Steering Group](#)

Information about the Joint Tax Agent Strategy Steering Group has been published.

[Improving the operation of PAYE: Collecting Real Time Information](#)

In readiness for the introduction of Real Time Information, HMRC has published a technical note for draft amendments to regulations relating to PAYE, National Insurance contributions and CIS and welcomes comments.

[section ends](#)

Welcome

Tax

HMRC Service

Consultations

Editorial

Clearances and Approvals

[Clearances and Approvals \(CAP 1\)](#)

Find out how non-business customers, or customers with a query about non-business activities, can get advice about HMRC's interpretation of recent tax law.

Compliance

[HMRC targets 6,000 Swiss bank accounts](#)

HMRC will shortly begin writing to UK residents and organisations holding Swiss bank accounts with HSBC in Geneva, who may not have reported all their income and gains to HMRC.

[Civil evasion penalty investigations - Statement of Practice](#)

This Notice cancels and replaces the previous Notice (June 2009). It explains what happens when HMRC investigates potential smuggling offences by a traveller or a trader, fraudulent declarations and dishonest claims for repayment of duty or relief from duty under the civil evasion penalty procedure.

Construction Industry

[New late filing penalties for the Construction Industry Scheme](#)

The new penalties will apply to all returns that are sent in late starting with the return due on or before 19 November 2011.

Draft legislation

[Draft legislation for Finance Bill 2012](#)

Draft legislation for the Finance Bill 2012 has been published for comment together with Tax Information and Impact Notes and other supporting documents.

Excise Movement and Control System

[Customs Information Paper \(11\) 84](#)

Read about the removal of the need for a REV 15 statement on import declarations for excise goods.

Individual Savings Account (ISA)

[ISA Bulletin 38 - Subscription limits for 2012-13](#)

This latest bulletin provides information on the ISA subscription limits for 2012-13.

[Change to mandatory electronic submission of Intrastat declarations](#)

HMRC has published a Tax Information and Impact Note regarding the measure that will make the electronic submission of Intrastat declarations mandatory from 1 April 2012.

[Revised due date for submission of Intrastat declarations](#)

HMRC has published a Tax Information and Impact Note regarding the measure that will bring forward the deadline for the submission of Intrastat declarations.

Investment Trust

[The Investment Trust \(Approved Company\) \(Tax\) Regulations 2011](#)

The final draft of the regulations has now been published.

National Insurance

[Disguised Remuneration - National Insurance contributions Regulations](#)

Regulations have been introduced to charge Class 1 NICs on amounts chargeable to tax under the recently introduced Disguised Remuneration measure.

[section continues>](#)

Welcome

Tax

HMRC Service

Consultations

Editorial

PAYE

[Electronic PAYE payment dates](#)

An overview of the payment deadlines for PAYE/National Insurance payments, information about late penalties and what your clients can do if they can't pay.

[Employment income provided through third parties: technical guidance](#)

HMRC has updated the Employment Income Manual to cover the Finance Act 2011 rules on employment income provided through third parties.

Pension schemes

[Automatic enrolment into pensions 2012 - actions for employers and payroll administrators](#)

Workplace pensions law is changing and every employer and payroll administrator must act.

[Pension Schemes Newsletter 50](#)

This issue details changes introduced by the Finance Act 2011 to the amount of tax relief individuals can receive on pension savings for 2012-13 onwards, and how individuals who are members of registered pension schemes can apply for protection from the effects of the reduction in the lifetime allowance.

Self Assessment

[Help your clients budget for their first self-employed tax bill](#)

A new leaflet has been produced to help the newly self-employed budget for their first tax bill. It will show your clients how much money to set aside to meet their tax and Class 4 NICs bill.

[Self Assessment late filing penalties](#)

If you haven't sent in your clients' 2010-11 Self Assessment tax returns, you must send them online to avoid a penalty as the 31 October deadline for paper returns has now passed.

[The Tax Catch Up Plan for income from tuition or coaching](#)

This is a unique time-limited opportunity for your clients to tell HMRC between now and 31 March 2012 about any unreported income, and pay tax owed on the best possible terms.

Student loans

[Student loan threshold change](#)

Read the important student loan announcement about a threshold change and a reminder about the student loan declaration on form P46 in Employer Bulletin issue 39.

Tax credits

[Tax credits reminders](#)

During November and December, HMRC will issue reminders to tax credits customers who gave an estimated income for the previous year. It will ask them to provide their actual income or HMRC will use the estimate. Agents dealing with these customers are asked to provide actual income details or remind their clients to do so.

[section continues>](#)

Welcome

Tax

HMRC Service

Consultations

Editorial

VAT

[Revenue & Customs Brief 37/11](#)

This brief reminds caravan site owners and their customers about the forthcoming withdrawal of three Extra Statutory Concessions relating to caravan sites. It also clarifies the effect of timing of invoices and payments on whether the concessions apply.

[Get your VAT clients online now](#)

On current plans, businesses or their authorised agents will have to submit VAT Returns online from April 2012. HMRC recommends you allow enough time to set up your online client authorisations and submit your clients' VAT Returns online by the deadline.

[Revised VAT Notice 700/12 - Filling in your VAT Return](#)

This Notice has been restructured and streamlined to make it easier to read and to help you complete the VAT Return. It also contains some special advice for those using VAT accounting schemes and information about submitting returns electronically.

[Revised VAT Notice 700/50 - Default Surcharge](#)

Read about Default Surcharge - a civil penalty to encourage businesses to submit their VAT Returns and pay the tax due on time.

[VAT Notice 701/5 - Clubs and associations](#)

This Notice cancels and replaces the previous Notice (March 2002) and contains minor amendments.

[VAT Notice 701/9 - Commodities and terminal markets](#)

This Notice cancels and replaces the previous Notice (March 2002) and Update 1 (February 2007), and tells you about the VAT treatment of transactions in commodities, commodity derivatives and on terminal markets.

[VAT Notice 701/40 - Food processing services](#)

This Notice explains the VAT liability of supplies of food processing services.

[VAT Notice 701/49 - Finance](#)

This Notice cancels and replaces the previous Notice (June 2009) and explains the VAT liability of certain financial services in the UK.

[VAT Notice 706/2 - Capital Goods Scheme](#)

This Notice cancels and replaces the previous Notice (January 2002). You should read this Notice if your clients acquire, create or construct capital items for use in their business and they incur VAT on those items.

[VAT Notice 707 - VAT Personal Export Scheme](#)

Notices 705 and 705A have been revised and combined into this new Notice which contains the information motor dealers and their customers need about the VAT Personal Export Scheme.

[Form VAT 7: Application to cancel your VAT registration](#)

The application to cancel your VAT registration (form VAT 7) PCU (May 1998) has recently been revised. Customers should now use the new version-form VAT 7 HMRC 09/11.

[VAT Manual V1-08A](#)

This manual has been rewritten and provides updated information on the VAT treatment of building and construction issues.

section ends

Welcome

Tax

HMRC Service

Consultations

Editorial

Compliance

[Compliance checks - amended factsheet](#)

The factsheet FS8(T) has been updated and now contains additional advice regarding penalties for inaccuracies.

[HMRC tackles construction industry tax dodgers](#)

A new taskforce to tackle tax evasion in the construction industry has been announced.

[HMRC tackles landlords](#)

A new taskforce to tackle tax evasion by landlords in the North West and north Wales has been announced.

[HMRC tackles tax dodgers in Scotland](#)

Two new taskforces targeting tax dodgers in Scotland have been announced.

[New taskforce launched to tackle tax dodgers in the South East](#)

A new taskforce to tackle the non-filing of tax returns across the South East has been announced.

[Compliance checks into direct tax avoidance schemes](#)

HMRC has announced changes to the way they handle compliance checks into direct tax avoidance schemes used by the small and medium enterprise customer group.

Contact

[Joint Tax Agent Strategy Steering Group](#)

Information about the Joint Tax Agent Strategy Steering Group has been published.

[Twitter](#)

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

Corporation Tax

[Corporation Tax - HMRC recognised commercial software](#)

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

[Excise Movement and Control System \(EMCS\) - new learning package available](#)

The European Commission has produced a learning package for traders who use EMCS.

Manuals

[Recent manual updates](#)

You can check the latest updates to HMRC manuals and sign up to get a reminder sent to you when changes are made.

[section continues>](#)

Welcome

Tax

HMRC Service

Consultations

Editorial

National Insurance contributions

Renewal applications to defer Class 1, 2 and 4 National Insurance contributions (NICs) are usually sent out in December each year. This year, Deferment Services are changing the way they issue renewal applications for the 2012-13 tax year. The renewal applications to defer Class 1 NICs will be issued first, followed soon after by those to defer Class 2 and/or 4 NICs.

[Read about changes to the renewal process to defer Class 1 NICs](#)

[Information about changes to the renewal process to defer Class 2 and/or Class 4 NICs](#)

Payment date for Class 2 NICs

Don't forget that your clients' Class 2 National Insurance bills issued in October 2011 are due to be paid by 31 January 2012.

[Read about Class 2 NICs payment deadlines](#)

Online

[Online security - stay safe online](#)

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

Pension schemes

[Get a Pension Scheme Tax Reference](#)

HMRC has published guidance on how to obtain a Pension Scheme Tax Reference.

[Qualifying Recognised Overseas Pension Scheme \(QROPS\) list](#)

Pension Schemes Services has published an update to the QROPS list.

Publications

[Working Together issue 46](#)

This edition contains:

- an article on the Joint Agent Understanding Project - an initiative reviewing the ways in which agents and HMRC interact to improve the service HMRC provides to its customers
- hints and tips to help you with the 31 January deadline
- views from Derek Allen of the Institute of Chartered Accountants Scotland on P35 penalties and the reply from Sue Walton, HMRC's Director of Central Policy

Self Assessment

[Self Assessment deadline](#)

HMRC has brought together guidance for tax agents and advisers to help you manage the 31 January 2012 Self Assessment deadline.

[section continues>](#)

Welcome

Tax

HMRC Service

Consultations

Editorial



Tax credits

[Setting up and managing agent authorisations for handling tax credits](#)

Following feedback from agents, HMRC has made further improvements to the process for agent authorisation for tax credits.

Toolkits to help reduce errors

[Learning Together video](#)

A short video has been produced to show how using HMRC's toolkits to help reduce errors can be used in practice.

[Updated Inheritance Tax Toolkit](#)

HMRC has updated the Inheritance Tax Toolkit effective for deaths occurring from 6 April 2010.

[Updated VAT Input Tax Toolkit](#)

The update reflects a number of recent changes including the VAT treatment of assets used for business and non-business or private purposes and entertaining overseas customers.

section ends

Welcome

Tax

HMRC Service

Consultations

Editorial

Current consultations

[Improving the operation of PAYE: Collecting Real Time Information - closes 9 January 2012](#)

In readiness for the introduction of Real Time Information, HMRC has published a technical note for draft amendments to regulations relating to PAYE, NICs and CIS and welcomes comments.

[Lecturers, teachers, instructors or those in a similar capacity - closes 6 January 2012](#)

This consultation examines the role of The Social Security (Categorisation of Earners) Regulations 1978 and The Social Security (Categorisation of Earners) Regulations (Northern Ireland) 1978 in relation to lecturers, teachers, instructors or those in a similar capacity in a modern education and training environment. HMRC wants specifically to seek views on the repeal of the regulations in relation to lecturers, teachers, instructors or those in a similar capacity.

[Modernising the administration of the personal tax system - closes 24 February 2012](#)

The Government wants to hear views on how increased transparency and accessibility to tax information can build greater awareness and understanding of how the system works and how individuals can take a more active role in ensuring they pay the right tax. This consultation seeks feedback and ideas for how the administration of the personal tax system could be improved to achieve better understanding and make it easier for customers to deal with it.

[PAYE pooling - closes 15 December 2011](#)

This discussion document is about a possible change to the PAYE system to give closely connected employers the option of being treated as a single entity for PAYE purposes (PAYE pooling). HMRC would like to gauge the level of interest amongst employers for PAYE pooling and explore the extent to which it could benefit employers in terms of reduced administration time or costs. This document also outlines how PAYE pooling might operate and invites views on those proposals.

Consultations - Summary of responses

[CAP 1: Advice on non-business activities](#)

A summary of responses received to the consultation on 'CAP 1: how non-business customers or customers with a query about non-business activities get advice on HMRC's interpretation of recent tax legislation'.

[Tax agents and advisers - a new relationship with HM Revenue & Customs](#)

HM Revenue & Customs' response to the consultation 'Establishing the future relationship between the tax agent community and HM Revenue & Customs' has been published.

section ends

Welcome

Tax

HMRC Service

Consultations

Editorial

A note from the editor

The 31 January Self Assessment deadline is fast approaching. We've pulled together useful information and tips to help you and your clients meet the deadline and avoid any late filing penalties.

[Read guidance for tax agents and advisers to help manage the 31 January Self Assessment deadline](#)

[Find information on key dates for sending in tax returns and making payments](#)

Our communications activity has been continuing - you may have seen reminders about the Self Assessment deadlines and new penalties in the media. In the run up to the 31 January deadline, communications will be increasing. We're planning additional activity after the deadline to encourage those who haven't done so, to file their returns as soon as possible and avoid additional penalties.

Following feedback, we'll publish the next Agent Update in February, avoiding the Self Assessment peak.

We've also published HMRC's response to your views on the agent strategy consultation together with some information about the next steps. We'd like to thank all those who took the time to respond to the consultation and engaged with us on the proposals. We'll continue to discuss our plans with agents (and work with representatives from the professional bodies) and we'll keep you informed as our work progresses.

[Read HMRC's response on the agent strategy consultation](#)



Best wishes for the holiday season.

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

section ends