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## Keeping you informed

### Introduction

Welcome to Agent Update 61. In this edition you can read about the International Tax Compliance (Client Notifications) Regulations, which have a deadline of 31 August 2017. The Pensions Regulator explains what your clients need to know about automatic enrolment and Companies House have contributed an article to help you with incorporating a company.

The Working Together section includes the usual updates on issues and you can read about how a few simple steps can help protect your business against cyber threats. You can also find out about the new Making Tax Digital for Business timetable.

We often invite agents to take part in 'User Research'. Recently we welcomed volunteers to help define and create a new digital service for PAYE Settlement Agreements. If you would be interested in joining further areas of user testing, all you have to do is [subscribe to our Agent Update email service](#) making sure you indicate that you would be happy to receive other tax related updates.

If you have any comments about Agent Update please [contact the editor Peter Smith](#).

### Tax

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

### HMRC service

Changes to HMRC service, upcoming HMRC events and guidance.

### Consultations

There were [no new consultations](#) or [responses](#) available when this issue was published, but please check for any that have been subsequently issued.

### Working Together

The latest updates from the partnership between HMRC and the six main agent representative bodies.

### This month's top articles

#### Publication of information about tax reliefs that are state aids

You may wish to remind your clients that certain details about their business will be published if they receive tax reliefs that are state aids of more than €500,000.

#### New Trusts Registration Service (TRS) launched

The new TRS means HMRC will be able to capture and retrieve trust records electronically, making it easier for customers to register the trust and avoid late filing penalties.

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## Compliance

### International Tax Compliance (Client Notification) Regulations - Deadline of 31 August 2017

You may remember in [Agent Update 57](#) we informed you of the International Tax Compliance (Client Notification) Regulations that came into effect on 30 September 2016.

If you give advice or services about tax or finance relating to offshore income or assets, you may be required, under the regulations, to send your client a [Client Notification Letter](#). The letter is under HMRC branding and informs individuals that HMRC will soon begin to receive data automatically from over 100 jurisdictions about UK tax residents who have assets in offshore accounts. It also makes them aware they can come forward and use the [Worldwide Disclosure Facility](#) if their tax affairs are not up-to-date.

Under the regulations, an obligation to notify applies to [Specified Relevant Person](#) and [Specified Financial Institutions](#).

If the rules apply, you will need to notify your clients by 31 August 2017. A full [guidance manual](#) is available, which includes details of when [penalties](#) could apply.

## Spotlights

Spotlights warns agents about certain tax avoidance schemes to be aware of.

[Disguised remuneration: job board avoidance scheme \(Spotlight 37\)](#)

[VAT: supply splitting tax avoidance schemes \(Spotlight 38\)](#)

### Working to tackle tax avoidance

HMRC treats all customers fairly and even-handedly. Find out about HMRC's approach to tackling tax avoidance, how to report a tax avoidance scheme and other relevant information.

## PAYE

### Do you have clients who live in Scotland for most of the tax year?

If so, they need to make sure HMRC have their correct address details on record so they pay the correct amount of Income Tax. Please ask them to ensure their address details are up to date by accessing either their Personal Tax Account or online at [GOV.UK: updating your address details](#).

You can find the Scottish Income Tax bands for the tax year starting 6 April 2017 on the GOV.UK webpage [Income tax in Scotland](#).

### Simplifying PAYE Settlement Agreements (PSA)

PSAs are easements under which employers can settle, in a single payment, their employees' income tax liabilities for certain benefits and expenses. This allows employers to simplify the reporting and settlement of tax for employee expenses and benefits, and 'sweep up' any benefits or expenses which have been overlooked, provided they meet the conditions for inclusion in a PSA.

If you submit PSAs, or plan to do so in the future, we would like to tell you about some changes to the PSA process which will take place from 6 April 2018.

HMRC plans to:

- provide an online digital service for PSA submissions and payment
- remove the need for an annual upfront PSA agreement
- improve and clarify PSA guidance

The new PSA digital process will be developed in response to the [PSA consultation](#) exercise that took place in 2016, and we will keep you updated with progress.

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## Pensions

### Automatic enrolment and ongoing duties - what your clients need to know

Every employer has automatic enrolment duties. They need to assess their staff, put them into a workplace pension scheme if they meet certain criteria, write to them to tell them what they have done, and complete and submit a declaration of compliance with The Pensions Regulator (TPR).

To date, more than 8 million people have been automatically enrolled in a workplace pension by more than 600,000 employers. And with hundreds of thousands more employers due to reach their duties start date by February 2018, the number of people automatically enrolled will continue to rise.

However, an employer's workplace pension duties do not stop with declaring compliance. And with TPR conducting stop checks on employers across the country to make sure they are complying with their duties, it is important you are aware what your employer clients need to do on a regular and ongoing basis to ensure they comply with the law.

### What are your clients' ongoing duties?

They will need to pay regular contributions into their chosen pension, monitor the age and earnings of their staff and enrol eligible staff, process any requests to join or leave the scheme, and keep and maintain accurate records. They will also need to re-enrol eligible staff into an automatic enrolment pension scheme every three years.

Recent research published by TPR shows the majority of employers did not have any difficulty with ongoing duties. The analysis shows that automatic enrolment is 'business as usual' for employers, and that it is easier than they thought it would be. Most micro employers said they spend around half an hour each month meeting their duties and two thirds did not use outside help. Those who did said it cost them around £42 per month to use an accountant or auditor to help them.

Further information about the continuing duties can be found on the website of [The Pensions Regulator](#).

#### Further information:

- Business advisers: [Knowing your client's ongoing duties](#)
- Employers: [Your ongoing duties](#)

## Revenue and Customs briefs

These are bulletins giving information on developments and changes of interest. They are used to announce changes in policy or to set out the legal background to an issue. They generally have a short life span, as announced changes are incorporated into permanent guidance and the brief is then removed.

## Tax

### Claiming tax reliefs for the Enterprise Investment Scheme (EIS), Social Enterprise Investment Scheme (SEIS) and Social Investment Tax Relief (SITR)

This is a reminder of the rules for making claims under the EIS, SEIS or SITR, which you may also want to draw to your clients' attention.

Individuals, making an investment under the schemes, cannot make a claim for any Income Tax or Capital Gains Tax deferral relief unless they have received a compliance certificate from the company they have invested in. A company cannot issue a certificate unless we have authorised the company under the relevant scheme.

A compliance certificate does not mean that the investor is automatically entitled to claim tax reliefs: investors must also meet certain conditions relating to their personal circumstances.

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Investors cannot make a provisional claim under any circumstances: the investor must have made the investment, and received a compliance certificate from the company, before making a claim.

There is further guidance on claiming tax reliefs for EIS [VCM14080](#), SEIS [VCM35010](#) and SITR on [GOV.UK](#)

## Venture Capital Schemes - new digital services for the Enterprise Investment Scheme (EIS) and Social Enterprise Investment Scheme (SEIS)

Work to digitise the submission and claims processes for the Venture Capital Schemes - the EIS, SEIS and Social Investment Tax Relief (SITR) is well underway.

The new digital service, 'Apply to use the Venture Capital Schemes', is now available in Private Beta (by invitation only) for unrepresented companies seeking to obtain an advance assurance for a proposed investment under the EIS, SEIS or from a Venture Capital Trust. We are currently designing the process for companies to submit a Compliance Statement - forms EIS1 and SEIS1 - online to be available later this year and this will be followed by functionality for agents to submit applications on behalf of clients.

The new digital service will mean changes to the way that investor details, company documents and information are to be provided.

Our user researchers continue to work with agents to understand your needs; however we are keen to have as wide a representation as possible, so if your clients use the venture capital schemes and you would be interested in taking part in our research please contact [our team mailbox](#).

## Incorporation top tips

The aim of this short article is to help you get things right when incorporating a company.

Last financial year Companies House incorporated over 644,000 companies, 99% of those were on line and 1% on paper. Over 8% of online applications to incorporate and nearly 53% of paper applications were rejected.

Electronic applications are usually processed within 24 hours of receipt whereas paper incorporation usually take up to 10 working days to process.

Many of these rejections were for quite simple and straightforward reasons which could easily be avoided.

These top tips are really about what to check before submitting an incorporation application:

- Check the name using our Companies House [company name availability checker](#) and check it again just prior to submission. This will help ensure that the proposed name is not regarded as the same as one already in existence. Make sure the name is consistent throughout the incorporation documents and any supporting documentation
  - Check that if the company name contains a 'sensitive' word, one that will require supporting documentation and that support is submitted with the application. A list of those words and expressions can be found [here](#)
  - Make sure the correct memorandum is with the IN01 and is dated and signed correctly
  - Individuals must show their nationality in a correct and acceptable form. Nationalities that are not acceptable will result in the application being rejected
  - Make sure the full names of the officers are shown and that initials are not used
  - Check the subscribers to the company are correct and the company is not shown as subscribing to itself as often happens. A subscriber must have its own legal personality. If the subscriber is a corporate body please ensure you have evidence to confirm that the corporate body has legal personality
  - An officer is only able to claim exemption under Section 243 of the Companies Act 2006 if the application has been made in advance and the exemption granted. This is also true of People with Significant Control claiming exemption under Section 790. Unfortunately many officers select this option who have not been granted the exemption
- Further guidance can be found on the GOV.UK webpage [Restricting the disclosure of your address](#).

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This not meant in any way to be a comprehensive list but hopefully it has highlighted some of the main reasons for Companies House rejecting applications to incorporate a company.

Just as a final reminder Companies House provide some [comprehensive guidance on incorporation](#).

### Publication of information about tax reliefs that are state aids

You may wish to remind your clients that certain details about their business will be published if they receive tax reliefs that are state aids of more than €500,000.

Information about businesses receiving state aid of more than €500,000 on or after 1 July 2016 can be found on a [European Union \(EU\) website](#) under EU transparency rules. The Finance Act 2016 permits the publication of certain information about businesses which are beneficiaries of state aid tax reliefs.

The following tax reliefs are state aids:

- zero-emission goods vehicle allowance
- enhanced capital allowances for enterprise zones
- film tax relief
- television tax reliefs
- theatre relief
- orchestra tax relief
- relief for SMEs on the cost of research and development
- vaccine research relief
- reduced rate of climate change levy
- enterprise investment scheme and venture capital trusts

The information published includes the name of the business, its region and trade sector and the amount of state aid received in most cases, by reference to six broad bands, starting from €0.5 million, to €30 million or more. The information is published within 12 months of the date the aid is granted.

### SA302 Process

We are aware that a number of agents are still phoning HMRC for a paper copy of their client's tax calculation and/or their Tax Year Overview. Many agents are telling us they need this because their client's lender will not accept the self-serve copy printed from their HMRC online account or the commercial software used to file the Self Assessment (SA) return, or their commercial software does not print.

We have been working with the:

- Council of Mortgage Lenders and their members to understand their requirements and make the necessary changes so that they will accept self-served copies of the tax calculation from the HMRC online account or the commercial software used to file the SA return. All the lenders who will accept self-serve copies have also agreed to be added to a list of lenders which has now been published on GOV.UK
- commercial software companies to ensure their software offers a print facility

This means that all agents who have filed a SA return online will be able to print a copy of the tax calculation and/or the Tax Year Overview when it suits them rather than calling HMRC and waiting up to 2 weeks to receive a copy.

Now that we have made all the changes required to allow agents to self-serve online we will no longer be issuing paper copies of the tax calculations directly to agents from the 4 September 2017.

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Suggested action for agents:

- if a lender refuses to accept self-serve copies we would suggest agents check if they are on the List of Lenders who accept them
- if agents do not know how to print from their commercial software we would suggest they contact their software provider
- if another third party needs a copy of the tax calculation please check if they will accept a self-serve copy

More information can be found on the GOV.UK webpage [Mortgage providers and lenders who accept a SA302 tax calculation](#).

### The new Trusts Registration Service (TRS) has launched

The TRS allows trustees to register their Trust online. The new service complies with the Money Laundering, Terrorist Financing and Transfer of Funds Regulations (2017 No. 692) which came into force on 26 June 2017 and replaces the 41G paper form, which was withdrawn at the end of April 2017.

Customers can register a new trust online now and agents will be able to register on behalf of trustees before October 2017. By early 2018 agents and lead trustees will be able to make variations to trusts if they need to report a change of circumstance. As the new TRS is not currently available to agents, we would ask our customers who use an agent to delay notifying HMRC until the new service is operational.

This means that all new trusts with a tax consequence need to be registered by 5 October 2017 and existing trusts are required to provide additional information by 31 January 2018 through the new service, to comply with the SA deadline.

The new TRS means we will be able to capture and retrieve trust records electronically, making it easier for customers to register the trust and avoid late filing penalties.

Additional information:

- a [Talking Points meeting](#) about the new service on 10 August 2017

- [GOV.UK guidance](#) and a link to the TRS
- there is information in the [April 2017 Trusts and Estates Newsletter](#)
- the regulations are available on [Legislation.gov.uk](#)

### VAT

#### [VAT Notice 700/45: how to correct VAT errors and make adjustments or claims](#)

This notice explains how to correct VAT errors and make adjustments or claims. Section 4.11 of this notice has been updated to change the VAT Error Correction Team office address.

#### [VAT Notice 700/58: treatment of VAT repayment returns and supplements](#)

This notice explains how HMRC deals with VAT repayment returns and when we pay a supplement if there is a delay in the repayment.

#### [VAT Notice 701/49: finance](#)

This notice cancels and replaces Notice 701/49 Finance (January 2013). Details of any changes to the previous version can be found in paragraph 1.2 of this notice.

#### [VAT Notice 702/7: import VAT relief for goods supplied onward to another country in the EC](#)

This notice cancels and replaces Notice 702/7 (December 2013). Details of any changes to the previous version can be found in paragraph 1.2 this notice.

[See all the VAT Notices listed numerically.](#)

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## Anti Money Laundering Supervision (AMLS)

### [New Money Laundering Regulations 2017 - how are your clients affected?](#)

On 26 June new Money Laundering Regulations 2017 became law. We have emailed all accountancy service providers registered with us for AMLS drawing attention to those changes.

The new regulations will bring some agents' clients into AMLS for the first time. For High Value Dealers (HVD), the main changes are:

- high value payment threshold reduced from €15,000 to €10,000 for all HVDs
- a business that pays cash (above €10,000) for goods must register with HMRC as a high value dealer (as well as those who receive the cash payments)
- an HMRC approval test to make sure persons with a relevant criminal conviction do not act as sole proprietors, managers, officers or beneficial owners

Clients who are Money Service Businesses, Estate Agency Businesses or Trust or Company Service Providers should also be registered under the regulations.

[Read HMRC Guidance Money laundering supervision: who needs to register.](#)

## Contact

### [HMRC working with Tax Agents Blog](#)

The blog provides another channel to communicate about:

- joint HMRC and agent consultations
- improvements to HMRC services by working together
- news and updates that are agent specific
- HMRC's Agent Strategy and the rollout of new digital services available for agents
- Talking Points meetings

### [Twitter](#)

Tweets cover information about HMRC and tax including; news, publications, information, consultations, speeches and publicity campaigns. Follow us on [Twitter@HMRCgovuk](#).

## HMRC service

### [Agent Account Managers \(AAMs\) in HMRC](#)

HMRC has a UK-wide team of AAMs to help tax agents and advisers deal with the department more effectively. Find out how to use the AAM service.

### [Complain to HMRC](#)

To make a complaint against HMRC on behalf of your client you must be appointed as their tax advisor.

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### [Employers need to register for email alerts](#)

As the Department moves rapidly down the digital road it is becoming more apparent that the days of paper mailings are numbered. It is important agents encourage employers to register to receive email alerts so they are aware of the latest coding changes and important information that is published on the Government web pages.

### [HMRC calculators and tools](#)

HMRC wish to alert you to problems with the Statutory Payment Calculators on GOV.UK. We are working with GOV.UK to resolve these problems as soon as possible.

### [Where's My Reply?](#)

Find out when you can expect to get a reply from HMRC to a query or request you've made. There is also a dedicated service for tax agents to:

- register as an agent to use HMRC Online Services
- process an application for authority to act on behalf of a client
- amend your agent details

[Start using Where's My Reply? for tax agents.](#)

## Manuals

### [Recent Manual updates](#)

You can check the latest updates to HMRC manuals or subscribe to automatic notification of changes.

## Online

### [Future online services downtime](#)

Information is available on any downtime that may affect the availability of HMRC's online services. Please note this 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, providing regular updates on scams we are aware of. If you have any concerns regarding the authenticity of any emails received from HMRC, [see the online security pages for agents.](#)

### [Online training material and useful resources for tax agents and advisers](#)

HMRC videos on YouTube, online learning modules and live and pre-recorded webinars, are available for tax agents and advisers providing you with free help, learning and support on topical subjects.

### [Phishing emails and bogus contact: HMRC examples](#)

A new type of phishing scam regarding 'Tax Returns', which is being circulated in high volumes, has been added.

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## PAYE

### Paying HMRC at the Post Office

If you currently use the Transcash service at the Post Office to pay HMRC you need to be aware this service is being withdrawn from December 2017 and you will need to find a different way of submitting payments to us.

Could you change over to an electronic payment method?

We are encouraging all customers to pay using the following methods:

- Direct Debit
- Online or telephone banking, which includes Faster Payments, Bacs and CHAPS
- Debit card online or by telephone

Benefits of paying this way are:

- it is more secure
- it will save you time and expense of going to the Post Office or bank

[Read Dealing with HMRC: Paying HMRC.](#)

## Publications

### [Employer Bulletin Issue](#)

The latest edition of Employer Bulletin is now available and contains useful information about PAYE processes and procedures. For employers to be informed when it is available on the website, they must [register to receive the email alerts](#).

### [National Insurance Services to Pensions Industry: countdown bulletins](#)

Countdown Bulletin 25 July 2017 has been added to this collection.

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### 2016-17 Self Assessment Individual Exclusions

#### What happened?

The changes arising from Personal Savings and Dividend Taxation Reform effective April 2016, mean that it is more beneficial for some customers to allocate (some of) their Reliefs and Allowances (e.g. Personal Allowance) against dividend income before savings income. If savings income is covered by the Personal Savings Allowance (PSA), Reliefs and Allowances are more beneficial if they reduce dividend income in excess of the Dividend Allowance (DA). It may also be more beneficial to set Reliefs and Allowances against dividends at 38.1% than against non-savings income at 20%.

HMRC implemented changes that have enabled the majority of customers with savings and dividend income to receive the most beneficial calculation. However, for a small percentage of customers, the calculation is not correct. We are sorry for the problems this has caused.

HMRC is committed to helping customers file online for 2016-17 and has been in discussions on how best to achieve this with agent representatives and software developers.

#### What has been done?

We have decided to make changes to the 2016-17 calculator in-year across our systems and interfaces. These changes address the errors in the current calculator and will enable affected customers to be able to file online and receive the correct calculation.

#### What will happen next?

We are planning to implement this change in October 2017 and the exact date will be confirmed as soon as it is known. We are asking commercial software developers to deliver in-year updates to align with HMRC's systems, to avoid filing error submissions.

We understand that agents are very busy from October, but to ensure there is sufficient time to make the changes, this is the earliest date we could achieve. However, we will maintain the Exclusions document for filing paper returns and claiming reasonable excuse if needed.

The fix will correct Exclusions 48 to 56 and 58 to 59 which cover the majority of cases. We will also automate the recovery of all cases where a return has already been filed, but shows the incorrect tax position for the customer. This will include all customers whether they have filed online or on paper. This recovery will include an SA302 and bespoke output to the customer to advise them of the correction.

We do not anticipate having to make any further changes. However, in the unlikely event that further changes are needed we will let you know without delay.

#### What to do now

await the implementation of the fix in October 2017 and then file online  
or  
continue to file online if your current software allows you to do so  
or  
file on paper (with a covering letter identifying the Exclusion)

#### Please note:

If a paper return which cannot be filed online due to an Exclusion is delivered on or before 31 January of the tax year to which the return relates, HMRC will accept a reasonable excuse for not filing by the normal 31 October deadline. We will cancel an automatically generated penalty if a reasonable excuse claim accompanies the paper return or the reasonable excuse form found on [GOV.UK: Self Assessment: reasonable excuse for not filing return online](http://gov.uk: Self Assessment: reasonable excuse for not filing return online).

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## The technicalities

The PSA and DA allow a nil rate of tax. Dividends covered by DA still count towards the Basic, Higher or Additional Rate bands where non-savings and savings income take up some or all of Basic Rate and Higher Rate bands. This may therefore affect the rate of tax paid on dividends received in excess of the £5,000 allowance. The PSA also counts towards the Basic, Higher or Additional Rate bands but if the customer has income chargeable at the Additional Rate, their PSA will be nil.

The legislation at section 25 (2) ITA 2007 states: 'At Steps 2 and 3, deduct the reliefs and allowances in the way which will result in the greatest reduction in the taxpayer's liability to income tax'. The fact that an allowance has been split to cover different types of income (savings/dividends etc.) does not alter the order in which the income is subject to tax per section 16 ITA.

The income in the SA tax calculation is allocated as follows and has not changed as a result of the introduction of the Personal Savings Allowance:

1. non-savings income and non-savings income with notional tax
2. savings income (section 16 ITA 2007)
3. UK dividends, stock dividends and foreign dividends (section 16 ITA 2007)
4. lump sum payments and Settlor Interested Trust income (section 1012 ITA 2007)
5. gains on life policies with tax treated as paid (section 1012 ITA 2007)

## Summary

Your feedback, the questions and observations from software developers, together with our testing, have given assurance that the proposed changes to the calculator will produce the most beneficial calculation for customers.

We appreciate there are customers who are uncertain whether their calculation is correct and whether they are affected by an Exclusion. The solution we are implementing ensures that customers can file online and be confident that if they file before the fix is implemented, we will correct the initial calculation.

## Inheritance Tax (IHT) online

We have launched a new service so that executors can tell HMRC about their estate online and begin to apply for probate. The new service replaces the paper IHT205 process.

This means that executors in England & Wales, without IHT to pay, will be able to use a digital service rather than completing a paper form.

There are many benefits of using this new service for personal applicants. These include:

- it is quicker and easier to follow than the paper IHT205 form
- only questions that are relevant to the estate are displayed
- it tells you what information needs to be provided to the probate office
- online help and guidance is available and helpful links to supporting information

Customers are eligible to use the service if:

- they are the personal representative of a person who has died (for example the executor), and
- they are applying for a grant of representation (probate) in England & Wales, and
- no IHT is payable

Professional agents acting on behalf of customers should continue to use their existing processes.

[Apply to complete IHT estate information online.](#)

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## Toolkits

HMRC have 20 [Tax agents toolkits](#) for you to download and use. They are a free online resource aimed at helping you avoid the most common errors we see in returns.

Each toolkit is checked and refreshed regularly by our experts to make sure they reflect any changes arising from the relevant Finance Act.

In each toolkit you will find a checklist of the key issues to look out for, with links to online guidance for further information.

Want to know more about how to use these toolkits? Why not have a [look at our YouTube video](#).

Take a look at the toolkits that have had a refresh since the beginning of July 2017.

[Capital vs Revenue Expenditure](#)

[Business Profits](#)

[VAT Input Tax](#)

[VAT Output Tax](#)

[VAT Partial Exemption](#)

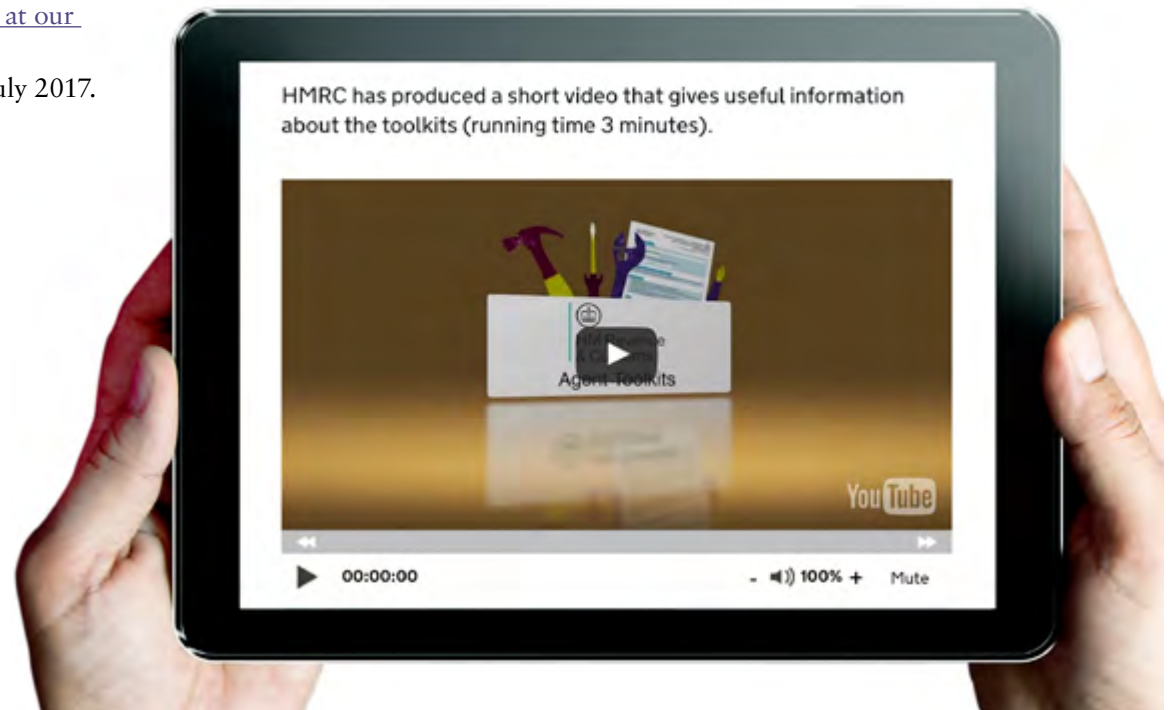
[Inheritance Tax](#)

## Your feedback makes a difference

We have recently updated our [toolkits feedback form](#) to make it easier for you to use, rate your experience and get your voice heard.

Feedback is vital in helping us develop the service to meet your needs, so be sure to let us know what you think.

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## Talking Points

Have you joined a Talking Points meeting yet? Talking Points is a programme of digital meetings, which include presentations and live Q&A sessions with HMRC subject experts. We cover a range of subjects, focussing on topics of particular interest to agents. Over 5,000 agents joined us for Talking Points during June and July and feedback has been very positive. We covered topics including Tax Coding, Construction Industry and Statutory Residence Test.

Our Talking Points meetings for August and the start of September will cover the following subjects:

Subject	Date	Time and registration
<b>Changes to Inheritance Tax</b> - An overview of recent changes to Inheritance Tax, including Residence Nil Rate Band and Transferrable Nil Rate Band.	<b>10 August 2017</b>	midday - 1pm <a href="#">Register now for this meeting</a>
<b>The new Trusts Registration Service</b> . - How to register a new trust and how to update the registered information for existing trusts.	<b>10 August 2017</b>	2pm - 3pm <a href="#">Register now for this meeting</a>
<b>HMRC Application Programming Interface (API) strategy and delivery update</b> - This meeting will cover how APIs will change the way HMRC works with and supports tax software developer products used by agents.	<b>18 August 2017</b>	midday - 1pm <a href="#">Register now for this meeting</a>
<b>Submission of SA Returns affected by Exclusions</b> . This meeting will discuss 2016-17 SA Return online submission issues and resulting exclusions. We will explain the process for waiving the 31 October deadline and allowing paper Returns submissions.	<b>23 August 2017</b>	midday - 1pm <a href="#">Register now for this meeting</a>
<b>What is the Worldwide Disclosure Facility (WDF)?</b> Customers have until September 2018 to use HMRC's WDF to bring their offshore tax affairs up to date. Failure to make a disclosure and pay tax liabilities could lead to tougher penalties, or a civil or criminal investigation. The meeting will cover where to find guidance and support to help you make and complete a correct disclosure.	<b>31 August 2017</b>	midday - 1pm <a href="#">Register now for this meeting</a>
<b>Option To Tax - The once and done approach</b> . A general overview of option to tax, when to notify, how to notify and who can notify.	<b>1 September 2017</b>	midday - 1pm <a href="#">Register now for this meeting</a>
<b>Cyber Security &amp; HMRCs Cyber Aware Campaign - 'Keeping Secure Online'</b> . This digital meeting will tell you about some of the basic and simple things you can do to keep yourself, your business and clients secure online, both at work and at home. The event will also introduce the Cyber Aware campaign and how it can help you promote its core messages to your employees and clients, along with an overview of the threat and the UK Government and law enforcement's wider work in this space.	<b>11 September 2017</b>	midday - 1pm <a href="#">Register now for this meeting</a>

You can find out more and view recordings of some meetings you may have missed on GOV.UK "webpage" [Agent toolkits, digital meetings, webinars, e-learning and videos](#). If you have already joined Talking Points meetings and found them useful, then please let your colleagues know and encourage them to join us.



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## Working Together Team (WTT)

Working Together (WT) is a partnership between HMRC and the six main agent representative bodies:

- Association of Accounting Technicians (AAT)
- Association of Chartered Certified Accountants (ACCA)
- Association of Taxation Technicians (ATT)
- Chartered Institute of Taxation (CIOT)
- Institute of Chartered Accountants in England and Wales (ICAEW)
- Institute of Chartered Accountants of Scotland (ICAS)

Together we look for ways to improve HMRC operations for the benefit of tax agents, their clients and HMRC. Members from a range of other representative bodies including; AIA, IAB, ICB, ICPA, IFA, CIMA, CIPFA, CIPP, CPAA, SPA, STEP and VATPG, also participate and contribute to WT.

## Digital Working Together (DWT) Meetings

We continued our program of jointly hosted digital meetings with the final one taking place on 26 July again hosted by the AAT from their premises in Aldersgate, London. These meetings were dedicated to the discussion of potential and current widespread issues, which are documented on the Agent Forum. A recording is available from [Agent Engagement Mailbox](#).

The issues will continue to be monitored by the Issues Overview Group (IOG), who rate them in terms of priority. A review will be undertaken by HMRC and the IOG to explore the best way to progress issues going forward.

## Agent Forum

We launched the new Agent Forum to replace the existing service on the 3rd July 2017. The new Agent Forum will be hosted in an area restricted to agents within the HMRC online forum. The invitation to current DWT members included a link and guidance on enrolling on the HMRC online forum, and how to register and request access to the new Agent Forum. Upon registration, agents will be sent an email confirming access has been granted. An overview of the Agent Forum was provided at the DWT meeting on 26 July.

If you are interested in joining the Agent Forum then please see the contact list on page 17.

## WT Open Issues Register

Following the June meeting with the IOG, the Professional Bodies (PBs) representatives reviewed the widespread issues. If you want to know more about the issues being discussed at the IOG meetings, or you want to have your say, please contact your PB. The contact details are on page 17. If you do not belong to one of the PBs listed please send your details to the [Agent Engagement Mailbox team](#).

The IOG agreed the following issues as Priority 1:

WT ref	Business area	Issue
WT243	PAYE	Online notices of Coding - PAYE

## Current Position

### WT243: Online Notice's of Coding - PAYE

It was decided that the issues being reported within Priority 1 WT243 covered more than one subject under this topic and it would be better if the topic was split into constituent parts.

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## **WT243a - P2's - Incorrect amounts included in coding notices, work arounds and Talking Points.**

Some of the points raised were found to have work arounds and others were addressed in the recent Talking Points meetings. Recordings of these meetings and other selected Talking Points will be available on the GOV.UK webpage [Agent toolkits, digital meetings, webinars, e-learning and videos](#).

## **WT243b - P2's - Incorrect adjustment for Bank Interest**

This is currently under review with the Business Area concerned. As always if you have further evidence of issues please post in the Agent Forum or contact your Professional Body(PB).

## **WT243c - P2's - Tax codings issued but not visible online**

This is currently under review with the Business Area who have requested that any issues are reported to them. As always if you have further evidence of issues please post in the Agent Forum or contact your PB.

## **WT243d - P2's - code on Personal Tax Account different from HMRC/Agent view**

This appears to be client specific and advice has been given to contact the Online Services Helpdesk.

## **WT246 - Marriage Allowance and SA (Priority 2)**

We are gathering client specific evidence in the Agent Forum and reporting this to the Business Area concerned to review.

Only one widespread issue has been closed since those reported in [Agent Update 60](#).

## **WT251 - Class 1, 2 & 4 NICs interaction especially General/Medical Practitioners**

We gathered all relevant information and passed this onto the Business Area concerned. In particular cases, that were client specific, agents were recommended to use the Agent Account Managers service.

## **Agent Account Managers (AAM) service**

AAMs provide a service to help resolve client-specific issues. They act as an intermediary between agents and HMRC when normal communication channels have failed, and mediate with the business area to reach a satisfactory conclusion, avoiding the need for a formal complaint.

To register for the AAM service just complete the online [User Registration Form](#).

You can do this before you have an issue, and only one agent from each business practice/branch need register to allow everyone in the practice/branch to use the service. To use the service you will need to demonstrate you have tried to resolve the issue yourself. For example, by contacting the helplines and checking '[Where's my reply](#)'.

HMRC also require you have a current agent authorisation on file [64-8](#) as you need to be authorised for the head of duty your issue relates to. We will only accept the registration template supplied by HMRC, which must state the line of business the issue relates to. You are required to complete an online [Issue Resolution form](#) for each issue.

On receipt of your Issue Resolution form, you will receive an automatic email acknowledgment, and a reference number specific to your query.

The AAMs aim to pick up and forward the issue to the relevant department within three working days of receipt.

This AAM service cannot be used for issues being handled by other parts of HMRC. They do not deal with complaints, compliance checks or appeals against HMRC decisions, or Disputed Charges. However they can progress chase such issues.

They do not give advice on technical matters, or the interpretation of tax legislation and guidance. For more information about the AAM service or to provide feedback about the service, please visit the GOV.UK webpage [Agent Account Managers in HMRC](#).

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The top five issues dealt with by the AAMs in June were:

Position	Type of Issue	Overall Issues	Reason For Issue
1	SA Correspondence	16	Progress chasing letters/forms not processed
2	SA Repayment	12	Progress chasing repayment requests made via return/online/post
3	Agent maintainer issues	10	DOA rejection/missing 64-8 form
4	Deceased	8	Progress chasing returns
5	Other and CIS Repayment	7	Progress chasing repayment requests made by return/online/post and IHT, appeals P800s and change of name/address

## HMRC urges agents to be more Cyber Aware

Following high-profile ransomware attacks, their potential repercussions are increasingly well understood but this doesn't always result in businesses taking steps to protect themselves.

From the time lost dealing with an attack, to the potential ripples through your supply chain and possible damage to your reputation, the impact can be considerable. Research shows that people expect to hear cyber security advice from any organisation/service who they share personal data with - this includes professional services such as accountancy. So there's no better time to get your basic cyber security advice embedded in your organisation.

HMRC is supporting the Government's Cyber Aware campaign, which encourages the public and small businesses to adopt simple and protective online behaviours which will make a big difference in protecting them against cyber threats, including:

- **Always install the latest software and app updates** - they contain vital security updates which help protect devices from viruses and hackers
- **Always back-up your most important data** to an external hard drive or a cloud-based storage system. If your business' devices are infected by a virus or accessed by a hacker, your data may be damaged or deleted
- **Provide staff with cyber awareness training** - simple measures like incentivising staff to report phishing emails or educating them on 'always downloading software updates' can go a long way. Direct people to [www.cyberaware.gov.uk](http://www.cyberaware.gov.uk) for the latest advice
- **Report all incidents of fraud and cyber crime to Action Fraud** on 0300 123 2040 or online at [www.actionfraud.police.uk](http://www.actionfraud.police.uk)

Find out more at [www.cyberaware.gov.uk](http://www.cyberaware.gov.uk) and follow the conversation at [www.twitter.com/cyberawaregov](https://www.twitter.com/cyberawaregov)

## Making Tax Digital (MTD) update

On 13 July the Government announced that it will include legislation for Making Tax Digital for Business (MTDfB) in the next Finance Bill, reaffirming its commitment to digitising the tax system for businesses and their agents. The Government also confirmed that the Finance Bill will be introduced to Parliament as soon as possible after the parliamentary summer recess. Mel Stride, Financial Secretary to the Treasury and Paymaster General said:

*"Businesses agree that digitising the tax system is the right direction of travel. However, many have been worried about the scope and pace of reforms.*

*"We have listened very carefully to their concerns and are making changes so that we can bring the tax system into the digital age in a way that is right for all businesses".*

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Under the new timetable:

- only businesses with a turnover above the VAT threshold (currently £85,000) will have to keep digital records and only for VAT purposes and update HMRC quarterly
- they will only need to do so from 2019
- the government will not widen the scope of MTDfB beyond VAT before the system has been shown to work well, and not before April 2020 at the earliest

MTDfB will be available on a voluntary basis for the smallest businesses. This means that businesses and landlords with a turnover below the VAT threshold will be able to choose when to move to the new digital system for VAT and for other taxes. We expect many businesses will choose to use MTDfB voluntarily and benefit from a streamlined digital experience.

The first businesses have already started keeping digital records and providing updates to HMRC as part of a live pilot to test and develop the MTDfB service for income tax. We will continue to develop and expand this pilot over the coming months before starting to pilot MTDfB for VAT.

We will start to pilot MTDfB for VAT by the end of this year, starting with small-scale, private testing, followed by a wider, live pilot starting in Spring 2018.

There is more information on [GOV.UK](http://GOV.UK)

## Working Together contact information for Professional and Representative Bodies

[AAT Jeremy Nottingham](#)

[ACCA Jason Piper](#)

[AIA Tim Pinkney](#)

[ATT Jon Stride](#)

[CIMA](#)

[CIOT Nigel Clarke](#)

[CIPP](#)

[IAB Kelly Pike](#)

[ICAEW Caroline Miskin](#)

[ICAS Charlotte Barbour](#)

[ICPA Tony Margaritelli](#)

[IFA](#)

[VATPG Ruth Corkin](#)

If you are not a member of a professional body, please contact the [Agent Engagement Mailbox](#).

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