

Minutes of Working Together Meeting Norwich 17 June 16.00

Attendees from Profession:	Attendees from HMRC:
Andrew Burwood Lovewell Blake (ACCA) AB	Bob Christie (Local Compliance) BC
Steven Dack M & A Partners SD	Valerie Simms (TEEL) VS
Christina Davidson Rostron & Ptners CD	Elaine Strutt (Agent Account Manager) ES
Val Eyley Banham Graham VE	Peter Cushing (Local Compliance) PC
Roger Jones Larking Gowen (CIOT) RJ	Helen Laird (Customer Operations) HL
Jeremy Nottingham (AAT) JN	Lynn Norton (DMB) LN
Nik Knight PKF NK	

1: Apologies	Geoff Clark Wayne Fleming Marilyn Palmer David Curtis Brian Spooner Nigel Wordingham
Welcome	RJ welcomed all to the meeting.
2:	Minutes of Previous Meeting
Discussion:	The previous minutes were agreed as a correct record, with no outstanding issues.
Action Point:	Anglia Event
3:	HMRC responses to questions from the Profession
Discussion:	See below
Action Point:	HL to discover reason for late issue of forms P11Db.
4:	Changes to Working Together – How will it work in the future?
Discussion:	<p>The Anglia event to launch the 'new Working Together' took place on 20 April. There will be a public announcement on HMRC website in the near future. BC produced copies of some of the Powerpoint slides from the Anglia event. BC, RJ and JN talked through slides on handout and general discussion followed. JN gave thanks for all Nicky's (his PA) work up to now, and everybody agreed. ES – contact details are on the internet, she is responsible for 3-5,000 agents and can be contacted if there is a processing problem. Legal workarounds will be shown on the register, which will be accessible fairly soon by Agent Account Manager and WT Co-ordinator. The ultimate aim is for agents to enter issues themselves, based on shared workspace.</p> <p>RJ – Arrows pointing both ways on slide 4 indicate that people get out of this what they put in.</p> <p>VS – At present she alone can prepare the issue template, as the WT Co-ordinator.</p> <p>BC - Problems should be emailed to VS as they arise, rather than just before a WT meeting.</p> <p>ES – Agents should research problems with their colleagues first, to see if they recur.</p> <p>RJ – indicated that WT had its origins in local 'tax liaison groups of which Norwich and Bournemouth were the first in the country. WT was the national umbrella for these, introduced about 10 years ago. This group has kept going where others have fallen by the wayside recently. WT is a very useful additional line of problem solving and makes you feel that you're not alone.</p> <p>BC – There is a problem with the model of representative agents cascading to other members of their professional body as not all members have given their email addresses. Presenters can give talks on particularly relevant topics at future meetings.</p> <p>ES – Ipswich is arranging a talk on the new compliance powers and penalties, which can be delivered at Norwich as well. There are pilots for testing trust capital gains, capital allowances, inheritance tax and small company marginal relief toolkits.</p> <p>BC and RJ – It is not valid to limit attendance to representative members only, and new members should be able to join the WT group.</p>

Action Points:	Agents to email VS with issues as they arise, presentation topics for future meetings or ideas on how WT meetings should be run at valerie.simms@hmrc.gsi.gov.uk . Current members should consider how to publicise the opportunity for new members to join.
5:	Any Other Business
Discussion:	PC – Dave Hartnett is taking part in a live webchat on 18 June 2009 at 14.00 to discuss his review of Tax Agents. Agents can give feedback on his consultation document via the link www.hmrc.gov.uk/news/reviews-tax-agents.htm .
Action Point:	
6:	Date of next meeting
Discussion:	The proposed date of Wednesday 28 October 2009 was agreed.

Meeting closed at 18.00.

Professions Questions & HMRC Responses for 17 June 2009 Working Together Meeting

1. Jeremy Nottingham – I received a telephone call at 15.10 hours on Sunday 26 April 2009 from HMRC Cumbernauld about a client. Over-zealous? It certainly ruined the peace of my Sunday afternoon relaxation.

Response from DMB:

It is HMRC practice to contact customers during the day, in the evening and at weekends where necessary to resolve and discuss tax matters. This fits around the availability of many customers. The information advises that the caller was from Cumbernauld. Cumbernauld use an automatic dialler system, this system will automatically dial main contact numbers on a taxpayer's record.

Without knowing the case in question, it is impossible for HMRC to identify whether the accountant's phone number has been incorrectly recorded as one of the main contact numbers. If the accountant provides a reference number, HMRC can check this point.

Meeting:

JN had received a letter of apology from DMB Complaints officer, stating that they tried to avoid weekend calls. JN told officer that agents should be differentiated from clients – the case is still ongoing.

2. Jeremy Nottingham – Re. Refunds selected for security. Member requested a refund for a client and HMRC Online Repayments Page shows Bank Repayment sent 27 February 2009. Refund released 30 April 2009.

I also have a refund confirmed 17 February 2009. Released 15 May 2009.

Why does it not say Held for Security on the repayments page?

Why does this process take so long?

What interest/compensation is being paid in the interim?

Response from Customer Operations:

We can appreciate that our online messages may lead customers to expect that repayments they claim will be paid relatively quickly.

Where repayments are selected for repayment security check we do aim to review and action these cases as accurately and as quickly as possible. There will be occasions where delays occur e.g. high volumes of repayments or further information required from the customer in support of the claim. Generally we do not consider these delays to be unreasonable in the circumstances. Where a

customer/their representative is concerned about such delays they can of course contact us for more information. We will not however pay redress for any costs or losses incurred as a result. Neither will we pay for charges and/or interest arising in the period before the repayment is released to the customer.

The department recognises that the online messages may not be entirely appropriate in all circumstances and is presently investigating ways in which we can improve them for the future.

Also refer to the content in

<http://www.hmrc.gov.uk/workingtogether/publications/wt35.pdf>

Meeting:

HL – A lot of resource has recently gone into clearing the backlog.

JN – Statements should contain more informative messages.

3. Jeremy Nottingham – A member reported that he did not receive copies of letters sent to a client concerning the opening of an investigation. What is the legal situation regarding the Agency arrangements agreed by a Taxpayer when he signs a 64-8?

HMRC have requested more information to deal with question.

4. Roger Jones –

a. It would be very useful if HMRC's online screens for VAT and PAYE showed us our clients' tax liabilities in the same way that the screens for personal/trust self assessment clients and for corporation tax do.

HMRC are seeking the views from Online Services and will respond when available.

Meeting:

VS – This enhancement will not be considered until after April 2012. During 2009-10 VAT Online will be changed so that agents will not need to be VAT registered themselves in order to use VAT Online.

b. What's new on HMRC website 11 May 2009 introduced a new factsheet on car benefits www.hmrc.gov.uk/cars/company-cars-factsheet.pdf This includes the commentary:

"If the only journeys you are permitted to make in the car are work journeys – for example, making calls to customers – there is no tax charge unless you actually use it for other, private purposes as well."

This is of course wrong. The taxable car benefit is based on the availability of the car for private use. Actual use (or not) is irrelevant.

HMRC response:

HMRC consulted a Technical Adviser on Car Benefits who advised:

The law works as follows:

- some of the car benefit conditions (including "available for private use") are deemed to be met if the car is made available by the employer
- there is then a get-out section in which, if two conditions are both met, car benefit does not apply. Those conditions are in s118(1) ITEPA, which reads: *For the purposes of this Chapter a car or van made available in a tax year to an employee or a member of the employee's family or household is to be treated as available for the employee's or member's private use unless in that year—*
 - (a) *the terms on which it is made available prohibit such use, and*
 - (b) *it is not so used.*

As you quote the factsheet reads,

"If the only journeys you are **permitted** to make in the car are work journeys – for example, making calls to customers – there is no tax charge unless you **actually use it for other, private purposes** as well."

"**Permitted**" deals with s118(1)(a), the prohibition, and

"**actually use it for .. private purposes**" deals with s118(1)(b).

The factsheet is therefore fine as it is.

Meeting:

5. CD – I don't know whether online payments should be sent to Cumbernauld or Shipley AO.

HMRC Response

LN – There is only a couple of days delay for the very small number of payments put into the 'suspense' section when they cannot be allocated to a particular reference.

BC – Clients don't suffer as 'suspense' payments are treated as paid on the day they are received.

LN – Direct debit payments, using UTR, do not need to show AO.

6. CD – Why were forms P11Db issued late this year?

HMRC Response

Action Point: HL – I will find out.