

HMRC Update

31 July 2017

ProShare prides itself on maintaining close working relationships with HM Treasury and HM Revenue & Customs. As many of our members will be aware, there have been some significant changes to the resourcing at HMRC over recent months. Some of these changes were outlined after our webinar on 18th April 2017, where it was confirmed that ESSU stalwart Hasmukh Dodia would – sadly for us - be moving to a new team.

Tax policy regarding share schemes (amongst other things) now sits with the Policy, Income Tax, Structures and Earnings team within the Individuals Policy Directorate or IPD, based in London. There is a technical team based in Bootle where share schemes queries regarding compliance and tax legislation are now handled. There is also an operations team based in Bootle. The technical team and the operations team are both part of IPD, alongside the Policy team.

We had a helpful meeting with the senior policy advisor and team leader last week. We shared our Annual SAYE and SIP Report with them and discussed some of the findings. We also conveyed to them your frustrations with ERS online, particularly that whilst the proactive scheme returns submission deadline deferral was well received, we have not yet had an uneventful scheme returns season since ERS Online's inception 3 years ago. We raised the topic of EMI confirmations and the recordkeeping challenges faced by smaller companies and their advisors, which can also cause significant due diligence issues for later potential transactions.

All of you will have seen the press coverage of the Taylor Review and at a high level some of the suggestions in Matthew Taylor's review were discussed, not least the idea of a dependent contractor and what sort of rights should attach to this status. This will be a topic for our Autumn round of focus group meetings so keep your eyes peeled for meeting dates soon if you would like to contribute.