

MINUTES

BUSINESS TAX FORUM

25th July 2014, 10:00-12:00
2/66 100 Parliament Street

Chair:	Jim Harra William Morris	Business Tax General Electric	HMRC CBI
Secretariat:	Ian Brimicombe Dave Matthews Mark Schools	AstraZeneca BC&S BC&S	100 Group HMRC HMRC
Attendees:	Jean Sharp Paul Morton Janine Juggins Kevin Fletcher Judith Knott Ian Quelch Jeremy Tyler Fergus Harradence Aziz Yusuf	Aviva Reed Elsevier Unilever Local Compliance Large Business Business Customer & Strategy CTIS Business & International Tax Business Environment	100 Group CBI CBI HMRC HMRC HMRC HMRC HMT BIS
Guests:	Andy Stewardson Peter Steeds Neil Rollason Ravikaran Ahlawat	CTIS CTIS Large Business Large Business	HMRC HMRC HMRC HMRC
Apologies:	Katie Hood Jon Sherman Ian Stewart John Connors Abdul Nabi Theresa Middleton John Bartlett Iain McKinnon Claire Jordan	BC&S CTIS Indirect Tax Vodafone Marks & Spencer Business Customer & Strategy BP HSBC Diageo	HMRC HMRC HMRC 100 Group 100 Group HMRC CBI 100 Group 100 Group

Agenda Items		Start	Dur.
1	Welcome, adoption of Minutes & Action Point Update – Jim Harra	10:00	10m
2	Legislative Subgroup Update - Andy Stewardson	10:10	10m
3	BEPS Update – Peter Steeds	10:20	25m
4	International Subgroup Update - Ian Brimicombe	10:45	10m
5.	LB Update – Judith Knott	10:55	10m
6.	LB Employment Taxes – Neil Rollason Travel expenses of non-executive directors	11:05	30m
7.	CBI Public Trust Campaign – Will Morris	11:35	15m
8.	Future Look – Jeremy Tyler	11:50	5m
9.	AOB & Close – Jim Harra	11:55	5m

1. Welcome and Adoption of Minutes

Jim Harra led introductions, acknowledging apologies and confirming new roles within HMRC. In particular he thanked Ian Quelch for his huge contribution and commitment to both BC&S and the forums.

The April BTF minutes were adopted without any amendments suggested, and all action points closed off.

2. Legislation Sub-group Update

Andy Stewardson updated the Forum on the last sub-group meeting, explaining what was covered and future considerations. Business confirmed the meeting had been useful.

For full information regarding the BTF Legislation Sub-group, please see the published minutes.

3. Base Erosion and Profit Shifting (BEPS) Update

Peter Steeds provided an update on BEPS. Generally the June CFA meeting had been productive from a UK perspective. 2014 deliverables will be signed off by G20 Finance Ministers in September

In relation to the work of WP6 he summarised where it has got to across its workstreams. A public draft of a document addressing Risk, Recharacterisation and Special Measures should be released in early December.

It was also confirmed that more work on delivery mechanisms for implementing country-by-country reporting will be carried out in the autumn in order to be signed off at the next CFA meeting early in 2015.

Fergus Harradence covered the digital economy, confirming that the OECD had agreed on an interim report to be published in September after the G20 meeting.

HMRC led a discussion on the reform of JITSIC (Joint International Tax Shelter Information Centre) which had been running for ten years with nine countries involved. This focused on plans to broaden the JITSIC approach to a wider range of countries, enabling a better exchange of information and helping to ensure a collective, collaborative approach to tackling tax avoidance.

Business gave an update on a workshop held on BEPS, from which it was hoped outputs would be shared soon

4. International Subgroup Update

Ian Brimicombe provided an update from the group who met the previous week. For full information on the BTF International Sub Group, please see the minutes.

5. Large Business (LB) Update

Judith Knott gave an update of the new LB directorate, bringing together 2000 staff to cover the 2000 largest businesses, each dealt with by a Customer Relationship Manager. Topics included the organisation of the new directorate, tax skills and risk. Those businesses formally in Large and Complex with a Customer Co-ordinator are now part of the new Mid-size group.

Business raised a query on developing business awareness through training and exploring secondment opportunities. HMRC discussed the continued up skilling of professionals through the business programme, including the skill-sets required and view of what is covered by the programme.

Action Point – Jim Harra requested that the skills program is put on the forward look planner.

6. Large Business Employment Taxes

Neil Rollason gave a detailed description of “Know You Customer”, following the last forum update. He emphasised that this work was not seen as a one-off but part of the ongoing Business Risk Review process that Large Business customers are familiar with. KYC was providing a wider understanding of businesses and helping to provide comfort to customers doing all they can to comply with the rules and identify potential risks for further consideration. It was highlighted that this as an opportunity for a professional discussion to establish significant information about employment taxes, which will provide a platform to understand issues and make informed decisions. It was confirmed that this way of working was welcomed and providing early certainty to customers and interventions as necessary.

Business found the update useful and agreed with the points raised.

Action point: Ian Brimicombe to contact Iain McKinnon on any further concerns.

Business raised an item about the treatment of travel expenses of non-executive directors of large corporates, and there was a brief discussion around this.

7. CBI Public Trust Campaign

Will Morris outlined the aims of the campaign, highlighting the focus on business reputation and trust. He explained the program over the next year, looking specifically on the tax focused piece and website. It is hoped that this will be launched in October 2014 and initial responses have been positive. He welcomed any opinions or feedback, and encouraged anyone interested to contact him.

8. Future Look

HMRC confirmed that there were two items to be covered in the next meeting: the tax gap and an update on Mid-size.

There were also two future items: a further BEPS update and secondments.

9. Any Other Business and Close

No AOB was raised.