

Welcome

Tax

HMRC Service

Consultations

Editorial

Keeping you informed

Welcome to the 17th edition of Agent Update

In this edition we feature important news for non-resident agents filing 64-8 forms, details of service upgrades following our April IT release and HM Revenue & Custom's (HMRC) first Super Podcast on the major changes for VAT-registered traders, employers, limited companies and others who submit returns and pay tax electronically.

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

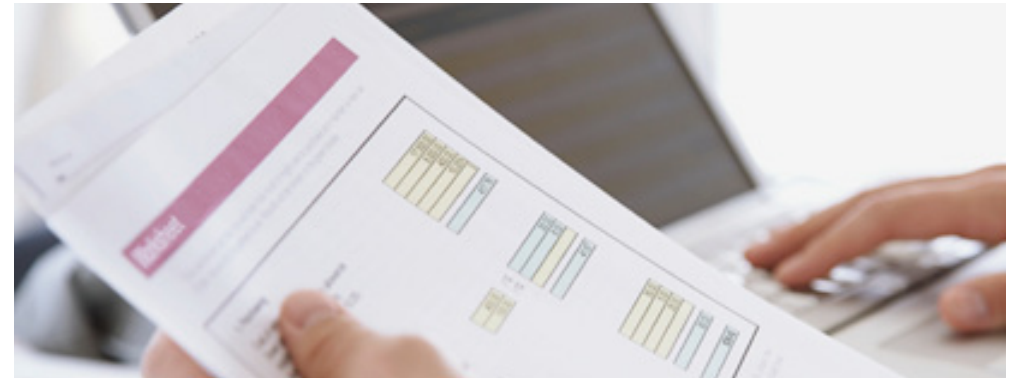
Developments and changes to legislation and allowances relating to UK tax.

HMRC Service

Changes to HMRC services, upcoming HMRC events and guidance.

Consultations

Details of live consultations and response summaries.



This month's top articles

[Budget Payment Plans for Self Assessment](#)

A Budget Payment Plan offers an easier way to pay Self Assessment tax by allowing customers to make voluntary regular payments towards their future tax bill. It's available to customers whose payments are up to date and who pay by Direct Debit.

[Changes to penalties and how we check tax](#)

Why not bookmark our updated compliance checks and penalty pages which reflect the new legislation that took effect from 1 April 2010?

[VAT for Agents online service - setting up email reminders and alerts](#)

You can choose to receive an email to remind you when your client's VAT Return is due to be submitted to HMRC. Just log in to the VAT for Agents online service, then from the 'Your HMRC services' page, select the 'Your Account' link in the left-hand menu. You'll find a heading on the main page - 'Your contact details'. Select the 'Update personal details' link which appears below this heading. You'll then be presented with a page called 'Your information' and you can add your email address here.

Welcome

Tax

HMRC Service

Consultations

Editorial

Capital gains

[Revenue & Customs Brief 17/10 - Restriction of Foreign Tax Credit Relief on chargeable gains](#)

This brief outlines a change to the established practice of restricting the amount of Foreign Tax Credit Relief (FTCR) that can be deducted when calculating the amount of UK tax due on a chargeable gain.

PAYE

[Incorrect notices of coding for employers, pension providers and agents](#)

Updated information for agents whose clients are affected by incorrect notices of coding.

[PAYE late payment penalties](#)

Penalties for failure to make payments of PAYE, National Insurance contributions, CIS deductions and student loan deductions in full and on time, now apply for periods starting on or after 6 April 2010. The new penalties apply to all employers and contractors. We will not charge penalties automatically, but will use a risk based approach. Penalties for 2010-11 will be charged from April 2011. Technical guidance has been published in the [Compliance Handbook](#)

Stamp Duty Land Tax

[Disclosure of Stamp Duty Land Tax \(SDLT\) avoidance schemes](#)

Regulations came into force on 1 April 2010 introducing new reporting requirements for certain SDLT avoidance schemes. For advice on disclosing SDLT avoidance schemes – contact the Anti-Avoidance Group.



[Contact details for the Anti-Avoidance Group](#)

[Guidance on the disclosure of tax avoidance schemes](#)

[section continues >](#)

Welcome

Tax

HMRC Service

Consultations

Editorial

VAT

[Revenue & Customs Brief 06/10 - Amusement Machine Licence Duty - liability of quiz games played on machines](#)

This brief outlines HMRC policy in relation to quiz games played on machines and their liability to Amusement Machine Licence Duty (AMLD).

[Revenue & Customs Brief 11/10 VAT - the decision of the VAT Tribunal in respect of Rank \(gaming machines\), issued December 2009](#)

This brief advises that HMRC intend, on the basis of the findings of both the VAT Tribunal and the High Court (and subject to the appeals), to consider those claims already received in respect of VAT paid on gaming machine takings.

[Revenue & Customs Brief 12/10 - VAT - provision of health professionals, nursing auxiliaries, care assistants and support workers by employment businesses - clarification of policy](#)

This brief aims to clarify HMRC's policy on the VAT treatment of supplies of health professionals, nursing auxiliaries, care assistants and support workers by employment businesses.

[Revenue & Customs Brief 13/10 - VAT - place and time of supply](#)

This brief introduces a temporary administrative easement to correct an anomaly in legislation for freight transport that takes place outside the European Community.

[Revenue & Customs Brief 14/10 - VAT payments by cheque - important changes with effect from 1 April 2010](#)

From 1 April 2010, all VAT cheque payments sent by post will be treated as being received by HMRC on the date when cleared funds reach our bank account – not the date when we receive the cheque.

[Revenue & Customs Brief 15/10 - VAT - policy changes to sports exemption](#)

This brief sets out changes to the VAT exemption for sports-related services being introduced from 1 September 2010. This will primarily affect affiliation fees charged by sports governing bodies to member clubs, but the VAT treatment of other sports-related supplies may also be affected.

[Revenue & Customs Brief 16/10 - changes to time limits for assessments and claims](#)

This brief explains that the compliance checks legislation introduces a new normal four year time limit for assessments and claims from 1 April 2010 in schedule 39 of the Finance Act 2008.

section ends

Welcome

Tax

HMRC Service

Consultations

Editorial

Agent authorisation

Non-resident agents - form 64-8 and Self Assessment agent codes

From 1 April 2010 all paper 64-8 agent authorisation applications for non-resident agents and all applications from non-resident agents for Self Assessment agent codes (also known as agent reference numbers) – including changes to Self Assessment agent details – should now be sent, in writing, to:

HM Revenue & Customs
Central Agent Authorisation Team
Agent Maintainer
Benton Park View
Longbenton
Newcastle upon Tyne
NE98 1ZZ

Compliance checks and new penalty legislation

Changes to penalties and how we check tax

Why not bookmark our updated compliance checks and new penalty pages which reflect the new legislation that took effect from 1 April 2010? They include:

- Leaflets explaining how our customers can avoid a penalty:
 - [Take care to tell us about your tax on time](#)
 - [Take care to avoid a penalty](#)
 - [Take care to avoid a VAT and Excise wrongdoing penalty](#)
- [New compliance checks – factsheets](#)
- [Updated Compliance Handbook](#)
- [Learning modules](#)

How to pay

Budget Payment Plans for Self Assessment

A Budget Payment Plan offers an easier way to pay Self Assessment tax by allowing customers to make voluntary regular payments towards their future tax bill. It's available to customers whose payments are up to date and who pay by Direct Debit.

Business Payment Support Service

HMRC's Business Payment Support Service (BPSS) has helped over 200,000 businesses reschedule more than £5.2 billion of tax since November 2008. Find out more information if you or your client thinks they may have difficulty paying their tax in full and on time.

Debts over £1 million

The Chancellor announced in his Pre-Budget Report on 9 December 2009, that with effect from April 2010, where a business applies for time to pay a debt of £1 million or higher, HMRC may – unless the facts are straightforward – require the business to engage (at its own expense), a suitably qualified professional adviser such as an insolvency practitioner, to carry out an Independent Business Review in support of its request.

Enforcement of judgements in litigation - new arrangements in appeal cases

Information on how HMRC will apply a more consistent approach to the collection of debts in litigation from 1 April 2010. In cases where a court or tribunal finds against the customer but there is a further appeal, we will normally require payment of tax at that stage even though a further appeal is yet to be heard. This will bring consistency with our existing policy of repaying tax in otherwise similar circumstances, but where a court or tribunal has found against us.

[section continues >](#)

Welcome

Tax

HMRC Service

Consultations

Editorial

[VAT payments by Direct Debit](#)

If your client wants to pay their VAT liability by Direct Debit, they must – the first time – set up the Direct Debit instruction online and then wait for at least five days before submitting their VAT Return online. The five days gives us time to process the Direct Debit instruction and ensure that the payment for that online return can be collected by Direct Debit.

HMRC

[Business Plan](#)

HMRC's Business Plan 2010-11 has been published and describes what we will do to meet our six strategic objectives.

[Super Podcast](#)

HMRC experts Stephen Banyard and Don Macarthur discuss the major changes to the way VAT-registered traders, employers, limited companies and other organisations submit their returns and pay their tax. It gives a brief overview of how these changes will affect your client's business, and what action you need to take.

Online

Improvements have been made to our services following the April 2010 IT release.

Corporation Tax

[HMRC Corporation Tax online filing software](#)

We have introduced improvements to the HMRC Corporation Tax online filing software which should improve transaction and download speeds and provide better navigation.



VAT

[VAT for Agents online service - setting up email reminders and alerts](#)

You can choose to receive an email to remind you when your client's VAT Return is due to be submitted to HMRC. Just log in to the VAT for Agents online service, then from the 'Your HMRC services' page, select the 'Your Account' link in the left-hand menu. You'll find a heading on the main page – 'Your contact details'. Select the 'Update personal details' link which appears below this heading. You'll then be presented with a page called 'Your information' and you can add your email address here.

[Improved text and the addition of help text are now available on the 'New User' screen](#)

We have reworded the VAT services section on the new user screen to avoid confusion between registering for VAT the first time and registering to submit your VAT Return online. Help text has been added to give further assistance.

[section continues >](#)

Welcome

Tax

HMRC Service

Consultations

Editorial

Saving partially completed online VAT Returns

Users of the HMRC VAT online service can now save partially completed VAT Returns. If you don't want to complete your return in one session, you can save the partially completed return and come back to it later.

Update to printed versions of the VAT100

When you print off your client's VAT100 there will be a note at the bottom that provides confirmation of receipt of the return by HMRC, the date and time of submission and a unique reference number.

VAT100 - resolution to the error message where entries at boxes 8 and/or 9 are greater than the entries in boxes 6 and/or 7

HMRC VAT online service users will no longer be presented with an error message where the entries at boxes 8 and/or 9 are greater than the entries in boxes 6 and/or 7.

Online security

Online security - stay safe online

HMRC strongly recommends you do not follow any links in emails that link directly to a website – but copy and paste the URLs into your browser. This approach helps ensure that the site you will visit is the one the email wants you to view. If you have any concerns regarding the validity of any emails received from HMRC – go to our 'Online Security' pages for more information.

Online services downtime

Future online services downtime

Information is available on any downtime that may affect the availability of our online services over the next 12 months. Please note that the information is subject to change and confirmation by our IT provider.

Non-Resident Landlord (NRL) Scheme

Non-Resident Landlord (NRL) Scheme - Information Bulletin Number 1

The first of our information bulletins for letting agents and tenants. This edition includes details of changes to the time limit for providing evidence of tax paid, where to find help and further information and links to forms and guidance notes.

PAYE

Advisory fuel rates

Check out the latest rates which apply to all journeys on or after 1 December 2009.

Employer alert landing page

Employers can now download the latest employer pack information including Employer Bulletin. Many of you advised that you're interested in knowing what information your clients can access via this facility.

Employer Bulletin 35 is now available

Employer Bulletin 35 is available and will be the last paper version. It includes information on a new email alert facility, budget announcements which may affect your payroll and information about the Employer CD-ROM.

Employer Orderline - help HMRC save paper and costs

You can download publications or forms from our website. Please consider carefully whether you need to order stationery before contacting the Employer Orderline or ordering forms online.

[section continues >](#)

Welcome

Tax

HMRC Service

Consultations

Editorial

[National Insurance and PAYE Service \(NPS\)](#)

Updated information is available on the current issues affecting the NPS, including action you can take and what HMRC is doing to resolve the issues.

Student loan repayments

[New collection of student loans leaflet - now available](#)

This leaflet (also available in Welsh) provides information to employers to help deal with queries raised by their student loan borrower employees. You may wish to share this with your clients.

[Viewing student loan SL1 start notices via the Data Provisioning Service \(DPS\) portal](#)

Find out how to view the 2010-11 Data Provisioning Service (DPS) student loan start notices issued in 2009-10.

Working Together

[Working Together \(WT\) publication - Issue 39 now available](#)

WT publication 39 includes an update on how the new WT model is progressing, R40 and capital gains and includes details of a new service for agents on Businesslink.gov.uk for tax professionals.

section ends



Welcome

Tax

HMRC Service

Consultations

Editorial

[Changes to the rules on deduction of Income Tax at source - closes 28 May 2010](#)

This consultation seeks views on possible changes to the tax rules that require deduction of Income Tax at source from interest and similar payments made by companies and other persons. This affects those involved in the deduction of Income Tax from certain payments including interest, patent royalties and other annual payments.

[Simplifying legislation on capital gains for groups of companies - closes 17 May 2010](#)

This document, published on the HM Treasury website, contains a full consultation document with detailed simplification proposals – including draft legislation on capital losses after a change in ownership, value shifting and depreciable transactions, and degrouping charges.

[Solvency II and the taxation of insurance companies - closes 2 June 2010](#)

This consultation, published on the HM Treasury website, is about the impact of the European Union Solvency II Directive on the taxation of insurance companies. Solvency II is about the regulation of insurance companies and this consultation is about tax consequences of the regulatory changes. It explores the implications for both life and general insurers, and invites wider debate about the future of life company taxation.

Summary of responses

[Excise - modernisation and compliance checks](#)

This document summarises the responses to draft legislation updating the compliance checking framework for excise duties.

[Budget Note 69](#)

Describes how the government intends to legislate this measure in a Finance Bill to be introduced as soon as possible in the next parliament.

[False self-employment in construction: taxation of workers](#)

This document summarises the responses received to the consultation on false self-employment in construction: taxation of workers, which is published on the HM Treasury website.

[Interest - working towards a harmonised regime. Meeting the obligations to file returns and pay tax on time](#)

This document summarises the responses to draft legislation that will complete both the harmonised interest regime and complete the alignment of penalties for late filing of tax returns and late payment of tax. Budget Notes 66 and 67 describe how the government intends to legislate these measures in a Finance Bill to be introduced as soon as possible in the next parliament.

[Budget Note 66](#)

[Budget Note 67](#)

[Lecturers, teachers, instructors or similar](#)

This document summarises responses that the government received to the consultation on lecturers, teachers, instructors or similar.

[Tackling offshore tax evasion](#)

This document summarises the responses received to the consultation ‘Modernising powers, deterrents and safeguards: tackling offshore tax evasion’.

[Budget Note 68](#)

Sets out the legislation to be introduced in Finance Bill 2010 to provide for larger penalties for taxpayers who fail to provide a full account of their tax liabilities, where the failure is linked to an offshore matter.

section ends

Welcome

Tax

HMRC Service

Consultations

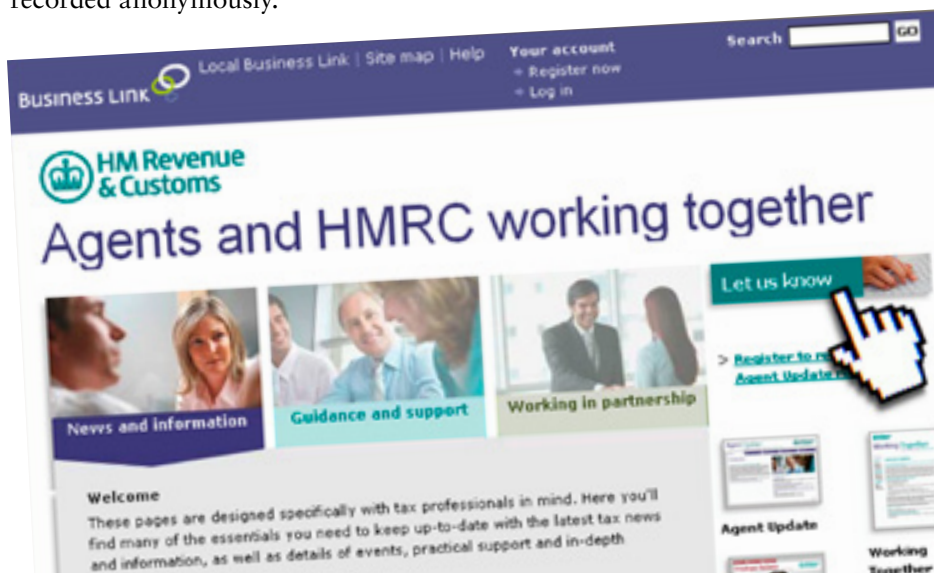
Editorial

A note from the editor

New service for agents

I'm keen to hear your views on the [Agents and HMRC working together](#) area which we launched on 22 February on Businesslink.gov.uk. Tax professionals can find news and information for their everyday requirements, all on one site.

Early feedback indicates that many of you have found the 'News and information' and 'Support and Guidance' sections useful, and others have offered suggestions on how we can improve the content. This is very good news and I would like to hear from even more of you. Please provide your feedback about these pages and how we can make improvements to our online communications by completing the 'Let us Know' survey. It will only take a few minutes and answers given are recorded anonymously.



The 'Agents and HMRC working together' area is divided into three specific sections:

News and information

This page includes items such as the agent RSS news feed, agent-specific publications and a link to register for email reminders for future Agent Updates and other tax-related matters.

Guidance and support

This page signposts you to more detailed information and provides direct links to some of the tools that are currently available (such as the different e-learning modules).

Working in partnership

We intend to develop this page later this year and hope to use it to promote tools and guides that you will find useful.

If you have any further queries please refer them to the editor.

[Contact the editor](#)

section ends