

ATT Welcome: I thought I had survived Coronavirus...

Welcomes

28 March 2022

I happily started the year with my flourish of early corporation tax accounting for our friends across the Atlantic who like to get their numbers in superfast. I then turned my attention to some March year end corporation tax submissions. In sympathy with my personal tax colleagues, I do like to leave everything until the deadline.

Suddenly my CT600 software is demanding all sorts of information about reporting coronavirus support payments and grants, and what to do if my clients have claimed too much and the records they need to keep. An email from HMRC has just dropped into my inbox - Declaring your grants on your Company Tax Return (CT600). I have registered and will be expert by the time you read this.

These grants have been claimed by clients without my involvement and it isn't always immediately obvious what has been received and where it has gone in the accounts. Additional questions will need to be asked if we are to ensure that everything gets reported in the right way.

And suddenly I find myself fully engaged - I wasn't expecting that!

The various grants such as the self-employment income support scheme (SEISS) and job retention scheme, which provided a welcome lifeline for businesses during the pandemic, may seem like a distant memory but we can't put them behind us just yet. In particular, it's important to remember that many of these grants are taxable, and reporting the right amounts in the right places on the right returns is very important. Our technical team have seen delays in the processing of income tax returns where the wrong amounts of SEISS grants were reported, or the right amounts but in the wrong boxes.

Technical matters

Once again our technical team have been very active. The ATT response to HMRC's call for evidence on the reforming registration for Income Tax Self-Assessment was submitted last month, and a number of ATT volunteers also contributed their time across a total of six workshops with HMRC. The call for evidence explored whether the taxpayer experience could be improved by changing the point at which they have to register. Whilst we received plenty of feedback from members on how HMRC's systems and processes could be improved, it's not entirely clear how changing the time when registration is required would help taxpayers. In summary, this may be a case of 'if it ain't broke, don't fix it'.

MTD continues to be an area of focus for ATT members and the technical team. From April, all VAT registered businesses regardless of size will be in the scope of MTD for VAT. It will be interesting to see how this goes – will voluntary registered and overseas businesses be aware of the MTD requirements and in a position to meet them? Will we see an uptick in the number of businesses choosing to deregister for VAT? Only time will tell.

The next stage in the MTD roll out is, of course, Income Tax Self-Assessment from April 2024. Whilst this may still feel like quite a long way off, it will come round surprisingly quickly and there is a lot for HMRC, taxpayers and the agent community to do in the meantime. Fortunately, the ATT technical team are on the case, taking part in frequent discussions with HMRC. Please do send them any feedback on practical challenges and concerns. In particular, we are expecting HMRC's very limited pilot to be extended from this month, and we would be interested in hearing from members who get involved. Alternatively, if you aren't interested in the pilot, what might change your mind? Answers on the back of a postcard please – or more practically by email to atttechnical@att.org.uk.

ATT annual conferences

Looking ahead to the summer, planning for the ATT annual conferences is now in full swing. By popular demand, the conferences will again be brought to you online this year by Michael Steed and the technical officers, combining live sessions with pre-recorded content. This year's live sessions will include a topical tax update, as well as a session looking at MTD, basis period reform, penalties and CGT reporting. Pre-recorded content will cover subjects as diverse as cryptoassets, capital allowances, employment taxes and R&D relief. For a fully rounded and value for money tax update, you really can't beat it. You can find an advert with more information, and

how to sign up, in this month's magazine. We hope to see as many of you there as possible.