

Press release: Digital tax revolution moves a step closer

Following extensive consultation, with more than 3,000 responses over the last eight months, HMRC has issued in-depth details on how digitising the tax system through its flagship Making Tax Digital project will help millions of businesses to get their tax bills right first time, without the need for an annual tax return.

Alongside draft legislation, HMRC has also published its responses to the six consultation documents issued in August 2016. After listening to the concerns of businesses and agents, HMRC can now confirm that under Making Tax Digital:

- businesses will now be able to continue to use spreadsheets to record receipts and expenditure, which they can then link to software to automatically generate and send their updates to HMRC – this was requested by a wide range of stakeholders, particularly small businesses and the Treasury Select Committee
- free software will be available to the majority of the smallest businesses
- businesses that cannot go digital will not be required to do so
- all self-employed businesses and landlords with a turnover under £10,000 a year will not have to keep their records digitally or make quarterly updates, but can do so if they wish
- the option to account for income and expenditure on a simple ‘cash in, cash out’ basis will be extended, helping an extra 2.5 million self-employed businesses and unincorporated landlords
- charities will not have to keep their records digitally or make quarterly updates
- customers will have at least 12 months to become familiar with the changes before any late submission penalties will be applied; following feedback from respondents, HMRC will also consult again in the spring on a new penalty model
- HMRC will pilot these digital systems with hundreds of thousands of businesses before rolling them out to ensure the software is user friendly, and to give businesses and landlords time to prepare and adapt

HMRC also confirmed that the government will need to consider further issues, such as the initial exemption threshold and deferring the changes for some small businesses alongside their cost, with final decisions to be made before legislation is introduced later this year.

During the consultation period, HMRC ran a series of public events across the country and online to hear views direct from businesses and agents. It also ran a short online survey for small businesses on some of the key questions from the consultations, which received over 1,200 responses.

Under HMRC’s plans to move recording and paying your tax online, most businesses, self-employed people and landlords will be able to keep track of

their tax affairs digitally and update HMRC quarterly by 2020. This is part of the government's commitment to make the annual tax return a thing of the past for millions of people and businesses.

With millions of businesses already banking, paying bills, shopping and interacting online, integrating tax with the day-to-day running of a business is a natural next step.

This will help businesses steer clear of errors – reducing the £8 billion a year cost to the public purse, get their tax bills right first time, and give them a clearer view of their tax position as they go through the year. Reducing the amount of avoidable errors will also reduce the cost, uncertainty and worry that businesses face when HMRC is forced to investigate them.

Director General, Customer Strategy & Tax Design, HMRC, Jim Harra said:

We know that the majority of businesses want to get their tax right first time, but the latest tax gap figures show that too many find this hard, with more than £8 billion a year lost in tax as a result of avoidable taxpayer error by small businesses.

Making Tax Digital will help businesses to get their tax right first time; it will help reduce the likelihood of errors, lower the chance of unwelcome compliance checks and give them greater certainty that they are getting things right.

There were more than 3,000 responses to the consultations and I'd like to thank everyone for their time and effort. We are pleased that there was a broad welcome for the principle of Making Tax Digital and HMRC developing a transparent and accessible tax system fit for the digital age. The appetite for digital services is growing and traditional paper-based processes make no sense in the 21st century where the vast majority use digital services.

HMRC will continue to work closely with stakeholders, including small businesses and agents, to ensure their views are reflected in the development of making tax digital.

[The Chief Inspector has today cast doubt on one of the Justice](#)

Secretary's key proposals for prison reform – Richard Burgon

Responding

to comments by Peter Clarke, Chief Inspector of Prisons, that government plans

for prison 'league tables' will be "immensely difficult" to achieve, **Richard Burgon MP, Shadow Justice Secretary**, said:"

"The

Chief Inspector has today cast doubt on one of the Justice Secretary's key proposals for prison reform.

"League

tables may make good headlines but there is no indication of how they will improve the performance of the prison service or rehabilitation of prisoners.

"Instead

of gimmicks we need clear leadership from the Justice Secretary to improve prisons performance now and provide the clear detail the White Paper is sadly lacking."

News story: Bass industry guidance for 2017

From:

First published:

31 January 2017

Part of:

The Marine Management Organisation (MMO) is pleased to be able to publish the bass industry guidance for 2017.

The [bass fishing guidance](#) covers commercial bass fishing, track records, fishing gears that may be used and catch limits.

It also provides further information on both the pelagic and demersal landing obligations whilst providing information on recreational fishing for bass.

Fishermen are advised to [read the full guidance](#) to understand their obligations and the various requirements in respect of fishing for bass.

[News story: Competition to uncover space entrepreneurs of tomorrow](#)

From:

First published:

31 January 2017

Young people have the chance to win £10,000 in a competition to come up with ideas on how to use satellite data to improve life on Earth.

The SatelLife Challenge, run by the UK Space Agency, is looking for inspirational ideas from those aged 11 to 22, linking satellite and space data and its application to everyday life.

Examples could include using satellite data to tackle loneliness amongst elderly people, looking at changes to green spaces in your town and identifying exercise routes based on traffic flows.

The competition, which aims to support the development of science, data handling and technological skills, is split into three age groups, offering five prizes of £5,000 for each age category with an overall winner receiving £10,000. The judging panel will be made up of experts including representatives from the UK Space Agency, the European Space Agency, the Satellite Applications Catapult in Harwell and industry.

The winners from each category will be able to pitch their idea to a panel of 'dragons' from the space sector who will offer prizes, which could include mentoring, work experience and even the development of the idea into reality.

The best entries will also be invited to present their idea at the UK Space Conference – the most influential event for space in the UK – held in Manchester from 30 May to 1 June, 2017.

Documents on how to apply, judging criteria and T&C's are listed below.

PDF, 103KB, 3 pages

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[Green Party leaders ask Theresa May: Did you know about the Muslim ban?](#)



Green Party

31 January 2017

*** Jonathan Bartley, co-leader: May's inaction a betrayal of Britain and appeasement of a racist, bigoted President**

The leaders of the Green Party have written to Theresa May [1] to ask her if

knew about President Trump's Muslim ban before it was announced.

The call follows reports that the Prime Minister was told about the ban during her visit to the United States. [2]

The letter from Jonathan Bartley and Caroline Lucas states that, with more than 1.5 million people signing a petition [3] to cancel Trump's state visit because of the ban, the public have the right to know how much May was told about the policy in advance.

Jonathan Bartley, Green Party co-leader, said:

"News that the Prime Minister already knew about President Trump's Muslim ban is deeply disturbing and will send a chill down the spine of all who believe in a just and compassionate world.

"This week more than 1.5 million British people made it clear they want to live in a country that shows leadership and has a clear resolve to create a world where refugees are welcomed and supported. Donald Trump's action stands in complete opposition to this.

"Theresa May must answer questions on how much she knew and what she did to challenge such a vile policy.

"If the Prime Minister knew about the Muslim ban in advance, and failed to challenge it, it would be not just a betrayal of the open, tolerant and welcoming country that Britain should be, but amount to appeasement of a racist, bigoted President."

Notes:

1. Dear Prime Minister,

We are concerned by reports you were told about President Trump's plans to ban the residents of seven predominantly Muslim countries from entering the United States in advance of the policy announcement.

With more than 1.5 million people signing a petition calling on you to cancel the state visit invitation extended to the US President, it's clear that there is a huge public anger. The country has a right to know how much you were told about the ban, and what you said to the President about it.

Were you told about the ban at the meeting with President Trump?

If so, what exactly were you told, and when.

And crucially, what did you say in response?

Yesterday we also learnt that the President may be intending to pull the US out of the Paris Agreement – an announcement which came just days after you left the US. Such a move would be a bitter blow to Britain's stated intent to work with other countries to tackle climate change, possibly the greatest threat that our country faces.

Did you talk to the President about climate change?

What did you say, and what was his response?

If you did not raise climate change with him, then why?

The British people deserve to be told the truth. We trust you will answer these pertinent questions as soon as possible.

Yours sincerely,

Jonathan Bartley, Green Party co-leader

Caroline Lucas, Green Party co-leader

1. <https://www.channel4.com/news/by/gary-gibbon/blogs/theresa-may-told-a-us-refugee-ban-was-coming>
2. <https://petition.parliament.uk/petitions/171928>

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