

Ref: PC(INTL)

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HMRC
Area 3C/03
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Via email: emma.mcquire@hmrc.gov.uk

Dear

Paper Forms PPDCGT

Further to the meeting on 20 July with the 'CGT on UK Property account subgroup' where we discussed the availability of paper PPDCGT forms, we at the Chartered Institute of Taxation are writing to urge HMRC to reconsider their policy decision of not making such forms available on a gov.uk portal.

It was disclosed during the meeting that in a situation whereby a taxpayer has already submitted a self-assessment return but omitted to submit an online CGT return, a paper PPDCGT return should be filed. There are likely to be many cases like this. However, obtaining a paper return by having to ask HMRC can be a time-consuming matter for agents and taxpayers, insofar as phoning HMRC and requesting them issue the form. There are many other taxpayers for whom obtaining a paper form is also a necessity, such as for those who cannot obtain government gateway credentials or are specifically required to complete paper forms.

Whilst HMRC's rationale of not making paper forms freely available in order to incentivise use of the online portal is understandable, the fact remains that such forms are still a necessity for many. Whilst universal use of the online reporting system may be the ultimate goal, it is simply not a reality at the moment for many taxpayers. Until it is, making taxpayers and their agents contact HMRC for a paper form seems almost obdurate and certainly does not sit well with HMRC's Charter which promises to '*make things easy*' by '*providing services that are designed around what you need to do, and are accessible, easy and quick to use, minimizing the cost to you*'.

By making the up to date paper forms freely available on gov.uk, you will be fulfilling that commitment by making compliance that much easier for taxpayer and agents, many of whom have no option but to use these forms. Instead

of taxpayers and agents spending valuable time on the phone to HMRC, and thus further diverting your own resources, everything could be easily available on demand and thus help reduce the delays in processing the returns.

In support of this request, I enclose at appendix one a summary of the results of a short member survey we undertook last week. From around [150] responses, you will see that:

- Around 60% found the digital handshake 'difficult' or 'very difficult'
- Notwithstanding this, over two-thirds of respondents submitted over 80% of such returns using the online service
- In order to obtain a paper form, the greatest preference was for a downloadable form from GOV.UK each time one is needed, followed by an online portal to request the issue of a paper return by post. Telephoning HMRC was the least popular substantive option.

We would be happy to provide you with the full results of the survey if this would be of interest.

We therefore urge you to reconsider your current policy and make these forms available via gov.uk as soon as possible. We would be happy to discuss this with you in more detail at your convenience.

Yours sincerely

Chris Thorpe

Technical Officer, Chartered Institute of Taxation

The Chartered Institute of Taxation

The CIOT is an educational charity, promoting education and study of the administration and practice of taxation. One of our key aims is to work for a better, more efficient, tax system for all affected by it – taxpayers, their advisers and the authorities. Our comments and recommendations on tax issues are made solely in order to achieve this aim; we are a non-party-political organisation.

Our stated objectives for the tax system include:

- A legislative process that translates policy intentions into statute accurately and effectively, without unintended consequences.
- Greater simplicity and clarity, so people can understand how much tax they should be paying and why.
- Greater certainty, so businesses and individuals can plan ahead with confidence.
- A fair balance between the powers of tax collectors and the rights of taxpayers (both represented and unrepresented).
- Responsive and competent tax administration, with a minimum of bureaucracy.

The CIOT's work covers all aspects of taxation, including direct and indirect taxes and duties. Through our Low Incomes Tax Reform Group (LITRG), the CIOT has a particular focus on improving the tax system, including tax credits and benefits, for the unrepresented taxpayer.

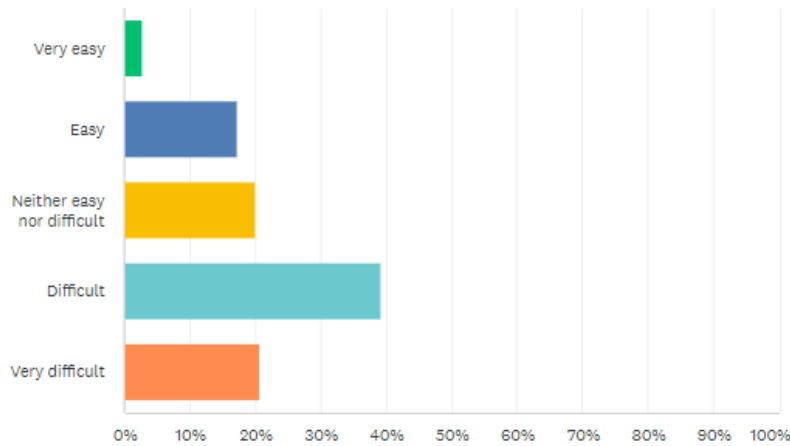
The CIOT draws on our members' experience in private practice, commerce and industry, government and academia to improve tax administration and propose and explain how tax policy objectives can most effectively be achieved. We also link to, and draw on, similar leading professional tax bodies in other countries.

Our members have the practising title of 'Chartered Tax Adviser' and the designatory letters 'CTA', to represent the leading tax qualification.

Extracts from CIOT and ATT survey re the report and pay Capital Gains Tax on UK property service

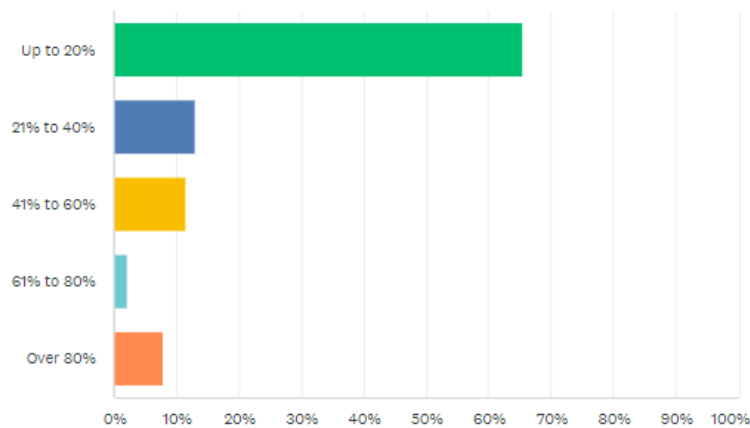
On the whole, how have you and your clients found the 'digital handshake', which is necessary to authorise you to access the service on behalf of your client? [please tick one box]

Answered: 145 Skipped: 0



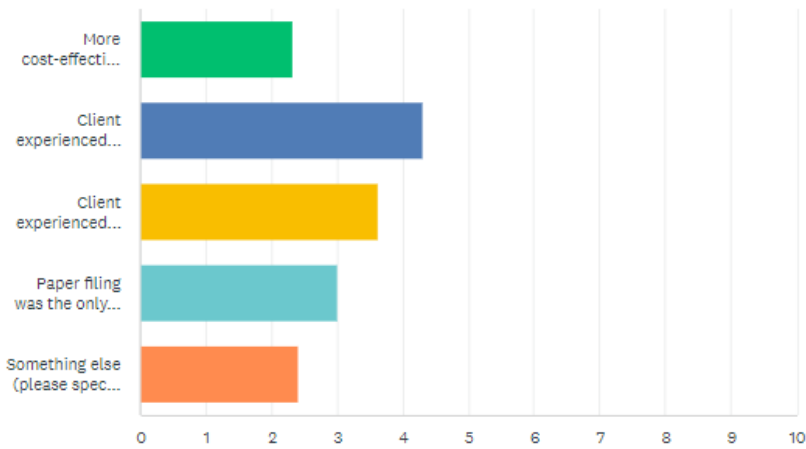
Approximately what proportion of these returns have you submitted on paper (as opposed to using the online service)? [please tick one box]

Answered: 139 Skipped: 6



What factors have caused you to submit a return on paper rather than through the online service? [1 being the most determinative factor, 5 being the least]

Answered: 130 Skipped: 15



HMRC currently require you to telephone them to ask for a blank paper return to be posted to you, and that must be done each time a paper return is to be used. What would be your preferred method of obtaining a blank paper return? [1 being your preferred option, 4 being your least preferred]

Answered: 136 Skipped: 9

