

Chartered Institute of Taxation

Technical Committees

'Rules of engagement' for consultation responses and interactions with HMRC

Version - October 2022

These guidelines are to be used by the Chartered Institute of Taxation (CIOT) Technical Policy and Oversight Committee (TPOC), and its committees and working groups, when responding to consultations and making submissions to HMRC, HMT and other government departments, and the devolved administrations ('policymakers'). They should also be considered when publishing other commentary, such as press releases, blogs, and magazine articles, as well as when in meetings and during other dialogue.

The tone and content of our representations should reflect whether they will be published or remain confidential.

Our charitable aims

The CIOT is an educational charity. Our primary purpose is to promote education in taxation¹. 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 which translates policy intentions into statute accurately and effectively, without unintended consequences. (Guideline 1)
- Greater simplicity and clarity, so people can understand how much tax they should be paying and why. (Guideline 2)
- Greater certainty, so businesses and individuals can plan ahead with confidence. (Guideline 3)
- A fair balance between the powers of tax collectors and the rights of taxpayers (both represented and unrepresented). (Guideline 4)
- Responsive and competent tax administration, with a minimum of bureaucracy. (Guideline 5)

We should ensure that policymakers are aware of our charitable status.

The guidelines

In pursuing our charitable aims, and our objectives for the tax system, the guidelines are as follows:

1. Tax policy

The CIOT should respect the policy objectives chosen by a democratically elected government (or set out by other parties or organisations when we are invited to comment on their proposals). As a non-party-political organisation we must remain neutral and objective in our relationship with policymakers.

¹ The CIOT Royal Charter sets out the objects of the Institute which are (1) to advance public education in and promote the study of the administration and practice of taxation and the principles of economic and political science in relation to taxation; and (2) (i) to prevent crime and (ii) to promote the sound administration of the law for the public benefit.

However, we may comment on the following elements of tax policy, where appropriate to do so:

- Where the rationale for the proposal is unclear or unconvincing;
- Where the policy intention is unclear;
- Whether the policy is expected to meet its stated objective;
- Whether the measure may give rise to unintended consequences (such as affecting a wider range of situations than intended), or opportunities for avoidance, or likely to give rise to changes in taxpayer behaviour.

Where possible, we should suggest alternatives where these are consistent with what is understood to be the policy objective and could achieve the desired outcome in a manner which is more consistent with our objectives for the tax system.

2. Simplicity and clarity

The CIOT should consider commenting on how simple, understandable and clear the proposals are in their objectives and implementation, for the people those measures affect, and whether professional advice might reasonably be required in order to comply.

3. Certainty

The CIOT should consider commenting on whether the proposals create uncertainty for businesses and taxpayers, or are likely to introduce instability where it did not previously exist.

4. Fair balance

We should consider commenting on how the measure balances the rights of taxpayers with the powers and procedures of HMRC to enforce taxes. We should be mindful of the impact on unrepresented taxpayers, and consider referring to / involving LITRG if the unrepresented / low-income taxpayer is likely to be unduly affected².

5. Administrative costs and burdens

We should consider commenting on the administrative burdens or compliance costs that the measure is likely to place on taxpayers, agents and tax authorities, particularly if this burden appears disproportionate to the policy intention, and / or we have concerns over the ability to comply with the requirements imposed by the measure.

Other factors

Equality, Diversity and Inclusion

In October 2020 we, along with the Association of Taxation Technicians (ATT), established a joint Equality, Diversity and Inclusion (EDI) Committee as part of our commitment to this area. EDI issues should be identified in our technical work.

Unless it is clear from the policy objective that a measure is targeted at a particular group of taxpayers (and adequately reflects the impact thereon), the CIOT should comment on whether the measure disproportionately affects one category of taxpayer as compared to others, or a particular gender, age-group, ethnicity or other protected characteristic. This would include a review of the 'equalities impacts' set out in the impact assessment (where published).

² LITRG may undertake its own submissions on a particular issue, but the important factor is that there is a voice for the unrepresented.

Guidance on EDI issues for those preparing technical submissions can be found at [220707 EDI guidance for technical staff and volunteers FINAL.pdf](#).³

Climate change

Recognising the importance of the environment, the CIOT set up a Climate Change Working Group (CCWG) in the summer of 2020.

Through input from the CCWG, our technical work should also highlight the likely environmental impacts of proposals, including a review of the ‘wider environmental impact and carbon assessment’ set out in the impact assessment (where published), or comment on the lack of such assessment as appropriate. Where possible, we should suggest ‘greener’ options for consideration where these are consistent with the policy intention.

Our educational objects

In accordance with our primary purpose, all submissions should introduce, in the appropriate level of detail, an overview of the area covered by the submission, and what the proposals are intended to achieve. We are not seeking to transform the general public into tax specialists. However, a simple overview of the issue, put into context, will help readers gain a broader understanding of the issue, and will help inform debate.

Keeping within our expertise

CIOT submissions should be based on the technical experience of our Technical Officers and committee members. Where matters are outside the scope of our technical expertise (such as the commercial, economic, or demographical consequences of the measure) we should avoid speculation, but we may highlight concerns based on well-documented evidence and invite more consideration and research into what such consequences might be. Similarly, we should avoid submissions in ‘niche’ areas, especially which are based on the opinions of individual volunteers, unless we are comfortable that the comments made would be representative of what experienced practitioners might be expected to say.

Giving evidence

The CIOT can and should participate in Parliamentary Committee enquiries and consultation exercises etc undertaken by political parties (whether in government or not) where we can provide informed comment. Where we do participate in these other exercises we will do so on a similar basis, ie following the principles outlined in this document.

Template

A template technical submission reflecting these considerations is attached.

Review

TPOC will review these rules of engagement periodically and seek Officers’ Group approval of planned material changes.

Conclusion

Achieving our objectives for the tax system can be difficult, and often one outcome may need to be balanced against another. For example, measures to combat tax avoidance might necessarily be complex. However, we

³ <https://assets-eu-01.kc-usercontent.com/220a4c02-94bf-019b-9bac-51cdc7bf0d99/f29df311-cd01-4560-bd5e-36b4330640e1/220707%20EDI%20guidance%20for%20technical%20staff%20and%20volunteers%20FINAL.pdf>

should always remain professional and objective⁴, be mindful of our charitable objectives, and remain non-political.

In cases of uncertainty, the CIOT Director of Public Policy and Chair of TPOC should be consulted *prior to preparing the submission*.

⁴ In compliance with the five fundamental principles of PCRT; integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

Lead author	
2-eyes reviewer	
4-eyes reviewer	
Which comm or w/g	
Confidentiality? Intra/internet/ none	
Area of website	
Response reminder	



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Title

Response by the Chartered Institute of Taxation

1 Executive Summary

- 1.1 The Chartered Institute of Taxation (CIOT) is the leading professional body in the UK for advisers dealing with all aspects of taxation. We are a charity and our primary purpose is to promote education in taxation with a key aim of achieving a more efficient and less complex tax system for all. We draw on the experience of our 19,000 members, and extensive volunteer network, in providing our response.
- 1.2 [Insert key points]
- 1.3

2 About us

- 2.1 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.
- 2.2 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.
- 2.3 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.
- 2.4 Our members have the practising title of 'Chartered Tax Adviser' and the designatory letters 'CTA', to represent the leading tax qualification.

3 Introduction

3.1 [Set out background, context etc]

3.2 [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.

Leave in this section, or elements thereof, where helpful to do so eg if our response identifies aspects of the proposals which meet or fail these objectives.]

3.3 [Consider whether there are any EDI issues – check what is said in any [TIIN](#) that has been published. Do we agree with the comments, and / or are there additional points that need raising? Refer to the EDI guidance for those preparing and reviewing written submissions [here](#).

3.4 Consider whether there are any climate change or environmental issues – again, check what is said in any [TIIN](#) that has been published (this will be in the ‘Other’ section, if included at all). Do we agree with the comments, and / or are there additional points that need raising? Do you need to engage with the CCWG and its Technical Officer, who are familiar with the government’s [Ten Point Plan](#) and [Net Zero Strategy](#). If there is nothing in the TIIN, but there are likely to relevant impacts, consider including: *The consultation and TIIN documents are silent on the net zero impacts of this measure. The CIOT would like to see a statement on net zero in its own section heading in all TIINS so that it is clear to readers that the topic has been considered by the government in respect of this measure.*

3.5 NOTE - Discussion of these issues, if relevant, can be moved to a more appropriate place in the response ie not necessarily in the Introduction.]

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5 Acknowledgement of submission

- 5.1 We would be grateful if you could acknowledge safe receipt of this submission, and ensure that the Chartered Institute of Taxation is included in the List of Respondents when any outcome of the consultation is published.

The Chartered Institute of Taxation

20 October 2022