

MAKING TAX DIGITAL - CONSULTATION DELAYED

Uncertainty from the profession continues to grow towards HMRC's Making Tax Digital project after the government department cancelled a stakeholder event which was due to take place on 14th July. It was thought that HMRC had planned to release the consultation documents prior to the conference, however on 12th July HMRC issued the following statement:

"Following the early change of prime minister announced yesterday, HMRC's executive leadership will need to be available to ministers at all times during the remainder of the week.

Unfortunately, this means that we will have to postpone the HMRC Stakeholder Conference on Thursday 14 July. We're sorry for the short notice and inconvenience, and we will be in touch with a new date as soon as we can."

With regards to the release of the consultation documents, HMRC added "The political landscape has rapidly changed this week. We currently intend to publish the MTD consultation documents in the summer but understandably it won't be this week."

The consultation documents were originally expected around April, following the Budget. This date was then delayed until after the EU referendum on 23 June, which has now been delayed further given recent developments. A number of high profile organisations have suggested HMRC revise the timetable for implementation. This would allow the consultations to be released in phases, with staggered submission deadlines, to allow more consideration of all the issues.

It appears HMRC still plan to go ahead with their original timescale, but it is not clear how tax payers would not be prejudiced if there is not proper consultation and a phasing in of this fairly radical change to tax reporting. We will keep you posted on any developments on this as they happen.

