

eNews

07 DECEMBER 2021

Welcome to haysmacintyre's regular 'e-news alert' for corporates and private individuals.

MTD NOT BEFORE 2026 FOR CORPORATION TAX

HMRC has issued a [summary of the responses](#) received following its consultation earlier this year on Making Tax Digital (MTD) for Corporation Tax (CT) that sets out a summary of the responses received. Responses were broadly supportive but emphasised the need for early clarity and assurance on both the design and timing of the service. HMRC has confirmed that no decision has been taken on when MTD will be introduced for CT, but that it will not happen before April 2026. The Government is not proposing any exemptions from MTD for CT. Please contact [Katharine Arthur](#) for assistance with MTD.



PSR CONSIDERS ACTION AGAINST APP FRAUD

The Payment Services Regulator (PSR) is [consulting on introducing rules](#) to make reimbursement mandatory if businesses are defrauded through authorised push payment (APP) fraud. The proposals include: requiring the 12 largest banking groups in Great Britain and the next two largest in Northern Ireland to publish data on their performance against APP frauds and their reimbursement levels; improving scam prevention; mandatory reimbursement for scam victims who have done nothing wrong; and considering what further action the PSR can take against fraudulent activity under its existing powers.

FRC ANNOUNCES 2022/23 FOCUS AREA

The [Financial Reporting Council \(FRC\) has announced](#) its areas of focus for corporate reporting and audit quality reviews during 2022/23. The FRC will focus on the following areas in its corporate reporting reviews: climate-related reporting; business combinations; earnings per share; deferred asset tax disclosures, particularly regarding losses; discount rates; and judgements and estimates. Audit quality reviews will focus on climate-related risks, fraud risks, cash and cash flow statements, provisions and contingent liabilities, revenue and group audits. The travel, hospitality, leisure and retail sectors are likely to attract particular attention.

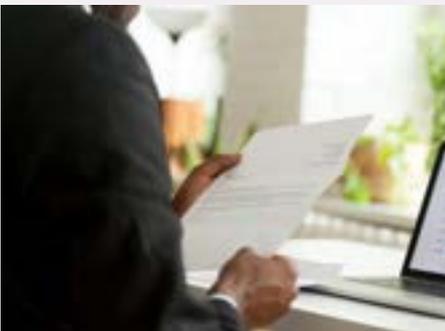


VAT SIMPLIFICATION REVIEW

Back in June, HMRC called for evidence regarding options to simplify the VAT exemption for land and property which haysmacintyre contributed to. HMRC has now released its [summary of responses](#), but, essentially, there are no imminent changes. HMRC has stated that it will continue to look at this area over the next year and, in particular, the possibility of establishing a workable definition of 'short term' or 'minor interests' for the purposes of VAT. Please contact [Stephen Patey](#) for assistance with VAT property matters.

CRYPTOCURRENCY CAUGHT WITHIN DST

HMRC has confirmed that cryptocurrencies, such as Bitcoin, are not exempt from the Digital Services Tax (DST) as they are neither commodities nor money. The 2% tax has been levied since 1 April 2020 on online marketplaces, search engines and social media sites that have a global revenue of over £500 million and UK sales of over £25m.

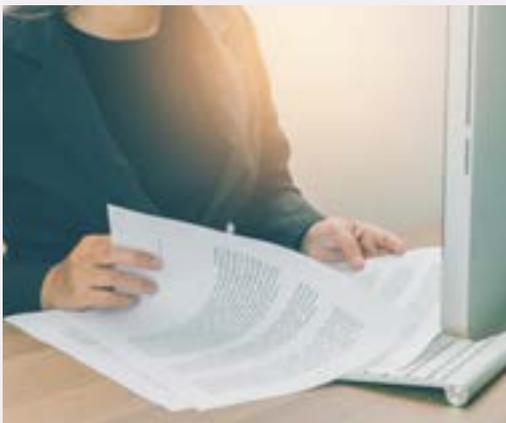


HMRC ONE TO MANY LETTERS

The Chartered Institute of Taxation (CIOT) has advised HMRC's latest One to Many (OTM) letters are being sent to taxpayers in relation to [Capital Gains Residential](#), [Disposal of Unlisted Shares CGT](#) and [Partnership Discrepancies](#). Recipients should ensure a response is sent to HMRC, but that does not necessarily mean signing the certificate! If you require any professional advice following receipt of an OTM letter, please contact [Danielle Ford](#), Head of Tax Disputes and Resolutions.

FRC AND FCA LETTERS TO CEOS

The FRC and Financial Conduct Authority (FCA) have [issued a joint letter to CEOs](#) reminding them of their obligations under the Disclosure Guidance and Transparency Rules regarding electronic format reporting. The letter sets out expectations on quality and identifies actions the FRC and FCA may take in the event of their expectations not being met. The FRC and FCA expect issuers to devote the same level of care and attention to their electronic annual financial report as they do to their hard copy version.



FRC REPORTS ON CORPORATE GOVERNANCE CODE

The FRC has published its annual [review of corporate governance reporting](#) which found that, whilst there was a general improvement in reporting against the UK Corporate Governance Code, there remains room for improvement in some areas. It identified disclosures on Board appointments, succession planning and diversity as areas for improvement. It also found that more reporting on the effectiveness of internal control and risk management systems to enhance the level of confidence in the company's control framework.

AND FINALLY... HMRC NOT TAKING CALLS

HMRC will [close its VAT and CT phone lines](#) on 3,10 and 17 December 2021 so that it can reallocate staff to clear the backlog of correspondence it is facing particularly, as the ICAEW understands, on VAT registrations and CT refunds. However, there is concern that further closures may be instigated as HMRC tries to deliver on its previously announced intention to have services working at pre-pandemic performance levels by April 2022.

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Shortlisted 2019 National Firm of the Year



Shortlisted 2019 Tax Team of the Year



Highly Commended Partner of the Year



2021: Best auditor
2020: Best outsourced
finance service



Winner: Audit Team
of the Year



Top 15 auditor to quoted companies
in Adviser Ranking Listing



An eprivateclient
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