



Minutes of the QCA Tax Expert Group

Held on: Wednesday 22 March 2017

Venue: Grant Thornton, 30 Finsbury Square, London EC2A 1AG

(Host: Neil Pamplin)

Present:

Paul Fay (Chairman)	Crowe Clark Whitehill LLP	PF
Michael Bell (Deputy Chairman)	Osborne Clarke	MB
Emma Bailey	Fox Williams LLP	EB
Nick Burt	Nabarro LLP	NB
Daniel Hawthorne	Dechert	DH
Richard Jones	RSM	RJ
Shofiq Miah	Fox Williams LLP	SM
Neil Pamplin	Grant Thornton	NP
Clare Phelps	Deloitte LLP	CP
Dan Robertson	RSM	DR
Matthew Rowbotham	Lewis Silkin	MR
Ray Smith	Clyde & Co	RS
Callum Anderson (minutes)	Quoted Companies Alliance	CA

In attendance:

David Halsey	Office of Tax Simplification	DH
Paul Morton	Office of Tax Simplification	PM

1. WELCOME TO PAUL MORTON AND DAVID HALSEY, OFFICE OF TAX SIMPLIFICATION (OTS)

NP welcomed DH and PM to the meeting.

PM briefly summarised the OTS's work and achievements since it was established in 2011. He noted that 200 of its proposals had been adopted in this time. He explained that the OTS's most significant ongoing projects concerned VAT and Stamp Duty. PM added the OTS was currently assessing its future short and long term programme of work.

DH noted that the OTS had the intellectual freedom to explore a variety of potential policy areas without the pressure to implement proposals immediately. He explained that the OTS was keen to explore the area of capital reliefs, such as Entrepreneurs' Relief.

There was an exchange of views on the value of increasing the level of dialogue with HMRC regarding tax issues. It was noted that some kind of binding, paid-for clearing system [as called for in the QCA's 2017 Budget Representations] would be very desirable and would foster a greater level of certainty in the UK tax system. PM noted that although he had heard a number of views on this issue, he was open to exploring the concept in more detail.

The Expert Group noted that smaller companies also struggled with the complexity of the rules for EIS. There was a discussion on whether this meant that EIS was essentially only targeted at larger companies.

There was also an exchange of views on the effectiveness of EMI and how it could be further enhanced to make it a better incentive for small and mid-size quoted companies. The Expert Group agreed that the relief had already proven to be a powerful incentive for employees.

NP thanked DH and PM for attending the meeting. DH and PM left the meeting.

2. APOLOGIES

Apologies were received from Neil Armstrong, Holly Edwards, Catherine Hall, Emma Locken, Vijay Thakrar, Lisa Vainio and Tim Ward.

3. MINUTES OF LAST MEETING (30 November 2016)

The minutes were approved.

4. APPROVAL OF QCA TAX EXPERT GROUP TERMS OF REFERENCE

The updated Terms of Reference were approved.

5. ISSUES FOR DISCUSSION

	ITEM	ACTION
a)	<p>Budget 2017</p> <p>The Expert Group agreed that the Chancellor announced no new measures that affected small and mid-size quoted companies.</p>	None to note.
b)	<p>QCA Budget Representations for 2017/18</p> <p>PF explained that work for the QCA's next set of Budget Representations would commence shortly. The Expert Group briefly exchanged views on how theses could be developed going forward.</p> <p>MB noted that HM Treasury's commissioned research on Entrepreneurs' Relief was due to be published in Spring 2017 and could act as a useful tool for the QCA's future direction of travel.</p> <p>PF added that volunteers will be needed to join a Working Group, which will develop the QCA's Budget Representations. He noted that he and MB would definitely be members of the Working Group.</p>	ALL to contact CA if they wish to be members of the Working Group.

c)	Brexit This was not discussed.	None to note.
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6. COMMUNICATIONS AND FUTURE MEETINGS

	ITEM	ACTION
b)	Policy Update (February 2017) This was tabled for information only and was not discussed.	None to note.
c)	Guest invitations to future meetings The Expert Group agreed that it would be a good idea for HM Treasury to attend the September 2017 meeting to discuss the QCA's Budget Representations.	None to note.

7. AOB

- NP noted that PF had now taken over as Chair of the QCA Tax Expert Group and MB had become the new Deputy Chair. The Group thanked NP for his contribution to its activities for the last three years.
- It was noted that the OTS had published a call for evidence regarding its review of the residual paper Stamp Duty on shares. **CA** to circulate document to Expert Group.

8. NEXT MEETING

Tuesday 13 June 2017, 9.00am – 10.30am (Venue: Crowe Clark Whitehill LLP, St Bride's House 10 Salisbury Square London EC4Y 8EH (Host: Paul Fay)).