

Jeff Worrell, HMRC Transformation  
Making Tax Digital for Business Policy Team  
Room 3C/12  
100 Parliament Street  
London  
SW1A 2BQ

15 November 2017

Dear Jeff

### **Making Tax Digital: consultations**

We are strongly supportive of HMRC's commitment to ensuring that it delivers a modern digital tax system for all businesses, via the Making Tax Digital agenda. We agree that the proposed system will provide a more modern, streamlined system for tax reporting and is more aligned to the wider business landscape.

We are aware that a number of businesses and other interested parties have expressed concerns with regards to the pace and scale of change. As a result the government has amended the roll-out for Making Tax Digital, to ensure that businesses have plenty of time to adapt to the changes and there is a smooth transition to a digital tax system. Under this amended timetable businesses will not now be mandated to use the Making Tax Digital for Business system until April 2019 for VAT obligations and April 2020 for digital record keeping and quarterly reporting to HMRC.

Whilst we understand and appreciate the government's intention in extending the implementation period, we remain concerned that our members will not have sufficient time to review the relevant legislation nor amend current business practices before the implementation date. We understand that the current process is that relevant legislation is published alongside the Finance Bill announcement in the period prior to being enacted in parliament (i.e. late November 2019). This will provide companies less than four months to review the proposed legislation and amend current business practices, which is particularly onerous not just for our members as preparers but also due to the number of UK SME's that our members interact with. Given the scale of change, publically acknowledged by government, coupled with a likely Brexit implementation period we urge you to reconsider the current process, by either bringing forward the publication of the proposed legislation or further extending the implementation date, such that businesses have sufficient time to prepare appropriately.

### **Who we are**

The 100 Group of Finance Directors represents the views of the finance directors of FTSE 100 and several large UK private companies. Our member companies represent almost 90% of the market capitalisation of the UK FTSE 100 Index. Our aim is to contribute positively to the development of UK and international policy and practice on matters that affect our businesses, including taxation, financial reporting, corporate governance and capital market regulation. Whilst this letter expresses the views of The 100 Group of Finance Directors as a whole, those views are not necessarily those of our individual members or their respective employers

Please feel free to contact me at [chrisoshea100group@kpmg.co.uk](mailto:chrisoshea100group@kpmg.co.uk) should you wish to discuss our comments. I would be more than happy to meet to discuss these, or any other relevant items, further.

Yours sincerely,



Chris O'Shea