

Mr Jamie Horton
HM Revenue and Customs
Room G/72
100 Parliament Street
London
SW1A 2BQ

By email: isbc.compliancepolicy@hmrc.gsi.gov.uk

21 October 2016

Dear Mr Horton

Tackling the hidden economy: Conditionality

We have not responded to the detailed questions in the consultation as the proposed measures are aimed at, and likely to have a greater impact on, smaller companies. However, we would like to make a short comment on section 3.10 – 3.15 of the consultation.

Who we are

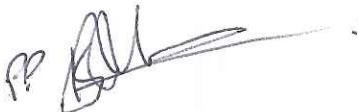
The 100 Group of Finance Directors represents the views of the finance directors of FTSE 100 and several large UK private companies. Our member companies represent around 90% of the market capitalisation of the UK FTSE 100 Index, and in 2015 paid, or generated, taxes equivalent to 14% of total UK Government receipts. 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.

Applying conditionality to business services (section 3.10 – 3.15)

The proposal suggests making tax registration for smaller companies a condition of access to business services, either through voluntary arrangements with the service provider or through regulation. The service provider is likely to be a large company, i.e. a member of the 100 Group. Therefore, we would like to confirm that the burden for any arrangement, either voluntary or through regulation, will be on the smaller company requiring access to business services and not the service providers.

We would be very happy to discuss our submission with you in more detail. Please do get in touch if you wish to discuss this further with me and the Committee.

Yours sincerely,



Andrew Bonfield

Chairman, Taxation Committee

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