

## Minutes of the 99th JVCC meeting held on 12 October 2016

13:30-15:30 in Room 16

1 Horse Guards Road, London SW1A 2HQ

	<b>Agenda Item 1 - introductions and apologies</b>	<b>Ruth Stanier</b>
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Ruth Stanier (RS) introduced herself and welcomed every one. RS also introduced her new Assistant Personal Secretary Mahomed Suleman (MS). A list of attendees is at Appendix A

	<b>Agenda Item 2 Update on International VAT Issues</b>	<b>Mike Cunningham</b>
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Mike Cunningham (MC) explained that no major new changes to VAT rules were going to take place during the current EU presidency.

	<b>Agenda Item 3 Brexit Update</b>	<b>Sally Beggs /Chris Stewart</b>
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Sally Beggs (SB) explained there was now a bit more clarity with regards to Brexit:

- Article 50 will be invoked by the end of March 2017 to start the process of the UK leaving the EU;
- The Government has announced that there will be a Great Repeal Bill which will remove from the statute book the European Communities Act
- Until exit negotiations are concluded, the UK remains a full member of the EU and all the rights and obligations of EU membership remain in force. During this period the Government will continue to negotiate, implement and apply EU legislation;
- The Prime Minister will lead our negotiations for leaving the EU. She will be supported on a day-to-day basis by the Department for Exiting the European Union (DexEU) The new Department for International Trade is responsible for promoting trade and investment across the world.  
Chris Stewart explained that HMRC is listening to its customers about their concerns and nervousness due to the uncertainty, in particular as to the shape of VAT after Brexit and the necessary IT systems/ software changes.

Chris Stewart encouraged JVCC members to share their concerns and those of their clients.

	<b>Agenda Item 4 Guidance</b>	<b>Eileen Patching/ Fiona Pavaday</b>
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Eileen Patching (EP) outlined HMRC's approach to guidance and how it could be improved as a result of feedback and through technology. EP urged JVCC members to email Fiona Pavaday (FP) so that a customer experience profile could be built using "collaborative work".

JVCC members raised concerns over broken internet links and unclear guidance.

Action Point: EP asked members to send details to the customer inbox and FP would pursue both issues.

	<b>Agenda Item 5 Penalty for participating in VAT fraud</b>	<b>Kristian Jarvis</b>
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Kristian Jarvis talked about the consultation document published by HMRC on "a penalty for participating in VAT fraud". Options in the condoc included applying the penalty to company officers and naming organisations and individuals that facilitated VAT fraud. Whilst some JVCC members supported the idea some members voiced concern as to how their clients would be able to detect the connection with fraud. Others expressed concern that the penalty would not distinguish between those that "knew" and those that "should have known" that their transactions were connected with fraud. It was also felt that naming company officers from genuine businesses that had facilitated the fraud would be a "bold" move by HMRC.

	<b>Agenda Item 6 Making Tax Digital</b>	<b>Paul Riley</b>
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Paul Riley (PR) presented the Making Tax Digital item. Members raised concerns about timing - both in relation to Brexit and because of the lead time for systems changes – and about the potential increase in costs for small businesses.

	<b>Agenda Item 7 AOB Operational Dashboard</b>	<b>Paul Riley</b>
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PR outlined his plans for providing JVCC with a quarterly operational dashboard that would highlight HMRC performance in key transactional areas affecting VAT registered businesses and agents. JVCC welcomed this regular addition to the agenda.

	<b>Agenda Item 8 Close</b>	<b>Ruth Stanier</b>
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Ruth thanked everyone for attending and looked forward to seeing them next JVCC meeting which will be the 100th meeting.

Next meeting: Monday 23 January, 2017, 1300-1530hrs

## Appendix A

### JOINT VAT CONSULTATIVE COMMITTEE (JVCC)

(Meeting no 99)

12 October 2016

13:30-15:30 in Room 16

1 Horse Guards Road, London SW1A 2HQ

#### External Attendees

Dean Carey (DC)	The Association of Chartered Certified Accountants
Ruth Corkin (RC)	VAT Practitioners Group
Aleem Islan (AI)	AAT
David Jordorson (DJ)	Association of British Insurers
Graham Elliot (GE)	Charity Tax Group
Leigh Francis (LF)	London & International Insurance Brokers Association
Helen Dinsdale (HD)	One Hundred Group
Nick Smith (NS)	Finance and Leasing Association
Vic Peak (VP)	Federation of Small Business
Peter Dylewski (PD)	The Chartered Institute of Taxation
Martin Scammell (MS)	British Property Federation
Nick McChesney (NM)	Institute of Chartered Accountants in England and Wales
Nancy Cruickshank (NC)	
Phillip Ford (PF)	The Association of International Accountants
Nic Davison ND	Chartered Institute of Management Accountants
Susan Cattell (SC)	ICAS

## **HMRC/HMT Attendees**

Ruth Stanier (RS)	Director, Indirect Tax Directorate
Tamara Walker-Moore (TWM)	Indirect Tax Directorate
Mahomed Suleman (MS)	Indirect Tax Directorate
Sally Beggs (SB)	Indirect Tax Directorate
Eileen Patching (EP)	Indirect Tax Directorate
Paul Riley (PR)	Indirect Tax Directorate
Mike Cunningham (MC)	HM Treasury
Fiona Pavaday (FP)	Indirect Tax Directorate
Kristian Jarvis (KJ)	Indirect Tax Directorate