



**Request for additional evidence – Tax Collection and Management (Wales) Bill
Response from the Low Incomes Tax Reform Group (LITRG)**

1 About Us

- 1.1 The Low Incomes Tax Reform Group (LITRG) is an initiative of the Chartered Institute of Taxation (CIOT) to give a voice to the unrepresented. Since 1998 LITRG has been working to improve the policy and processes of the tax, tax credits and associated welfare systems for the benefit of those on low incomes. Everything we do is aimed at improving the tax and benefits experience of low income workers, pensioners, migrants, students, disabled people and carers.
- 1.2 LITRG works extensively with HM Revenue & Customs (HMRC) and other government departments, commenting on proposals and putting forward our own ideas for improving the system. Too often the tax and related welfare laws and administrative systems are not designed with the low-income user in mind and this often makes life difficult for those we try to help.
- 1.3 The CIOT is a charity and the leading professional body in the United Kingdom concerned solely with taxation. The CIOT's primary purpose is to promote education and study of the administration and practice of taxation. One of the key aims is to achieve a better, more efficient, tax system for all affected by it – taxpayers, advisers and the authorities.

2 Introduction

- 2.1 As part of the oral evidence given by LITRG on 1 October we agreed to provide additional written evidence regarding the use of the term 'aspire' within legislation in relation to the Charter of standards and values.

3 **Additional evidence**

3.1 Although the word 'aspire' is used in section 16A of the Commissioners for Revenue and Customs Act 2005 (as inserted by FA 2009, section 92) in relation to 'Your Charter', we consider it to be a poor choice of word. Not only would it be difficult to challenge, it would also be difficult for Welsh Revenue Authority (WRA) and taxpayers to commit to. We would recommend that an alternative is used and consider the word 'adhere' to be a better fit.

3.2 'Adhere' is used in the Scottish Charter, section 10 of RSTPA 2014 (Scotland) states:

'10 Charter of standards and values

This section has no associated Explanatory Notes

(1)Revenue Scotland must prepare a Charter.

(2)The Charter must include—

(a)standards of behaviour and values which Revenue Scotland **is expected to adhere to** when dealing with taxpayers, their agents and other persons in the exercise of its functions, and

(b)standards of behaviour and values which Revenue Scotland **expects** taxpayers, their agents and other persons **to adhere to** when dealing with Revenue Scotland.'

3.3 The advantage of using the word 'adhere' rather than 'aspire' is that it places a more balanced demand on both taxpayers and the WRA regarding their behaviour; adhering to the Charter would mean to 'believe in and follow the practice of' which would be in line with the purpose of the Charter of standards and values.

LITRG
15 October 2015