

Rebecca Evans AC/AM
Y Gweinidog Cyllid a'r Trefnydd
Minister for Finance and Trefnydd



Llywodraeth Cymru
Welsh Government

Llyr Gruffydd AM
Chair
Finance Committee
National Assembly for Wales
Cardiff Bay
Cardiff, CF99 1NA

22 May 2019

Dear Llyr,

Thank you for your letter of 2 May.

In Jim Harra's response to you on 14 May, he outlined details of the recent issue with the application of the Welsh 'C' tax code. This occurred as a result of some employers not correctly applying the codes, provided by HMRC, to their employees.

I have been assured by HMRC that mitigating action to help employers fix this error are well underway. A scan will be undertaken in June to assess the scale of the problem, and again in September to ascertain to what extent the issues have been rectified.

If you would find it helpful, officials from HMRC and Welsh Treasury would be happy to provide the Committee with a technical briefing to take Members through the end-to-end income tax process, including roles and responsibilities of HMRC, employers and employees. They could also provide you with further details of the taxpayer identification work that has been undertaken to date and business-as-usual plans to maintain the database of taxpayers living in Wales.

I am copying this letter to the First Minister, Jim Harra, Deputy Chief Executive and Second Permanent Secretary, HMRC and Debbie Alder, Director General of Human Resources, DWP.

Yours sincerely,

Rebecca Evans AC/AM
Y Gweinidog Cyllid a'r Trefnydd
Minister for Finance and Trefnydd

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.