



# HM Revenue & Customs

## Finance

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**Date** 17 July 2014  
**Our ref** FOI 2096/14  
**Your ref** N/K

[www.hmrc.gov.uk](http://www.hmrc.gov.uk)

Dear Sir,

I refer to your request of 3rd June 2014 in which you asked:

*"In relation to your May 2014 Bulletin entitled 'Fast Facts: Record Revenues for the UK' I have noted FoI request FOI 3059/13. I have also noted the definition of revenue protected on page 11 of HMRC's accounts for 2011/12. I should be grateful if you would provide: 1) An analysis of the £23.9bn of additional tax revenue ("the £23.9bn") by customer segment. If such a breakdown cannot be provided, please provide an analysis by the HMRC directorate and, where appropriate, sub-directorate. 2) An analysis of the £23.9bn by the type of customer behaviour to which it relates. Within each behavioural category, please also indicate the amount of revenue that resulted from each of: out of court/pre-litigation settlements; lead litigation cases; litigation follower cases; other. 3) An analysis of the revenue protected included in the £23.9 billion by category as noted in the 2011/12 accounts i.e. split between seizing illicit goods, preventing erroneous payments, deterring future non-compliance, addressing avoidance loopholes, and any other categories used by you for this purpose. 4) An analysis of the revenue protected using the categories noted in FoI 3059/13 i.e. revenue loss prevention, future revenue benefit and product & process revenue. 5) Confirmation of whether the £23.9bn includes the estimated revenue impact of changes to tax law. 6) Confirmation of whether the estimated impact of any or all of the 42 changes to tax law referred to on page 3 of the bulletin was included in the £23.9bn. 7) HMRC's estimate of the revenue impact of the 42 changes of tax law referred to on page 3 of the bulletin along with, if different, the amount of this that was included in the £23.9bn. 8) The amount of the £23.9bn that relates to schemes disclosed under the Disclosure of Tax Avoidance Schemes (DOTAS) regime"*

I am answering under the terms of the Freedom of Information Act 2000.

I can confirm that HMRC holds some information that falls within scope of your request. However, for parts 2, 3, and 8 of your question, we estimate that it would substantially exceed the FOIA cost limit to deal with it. The FOIA cost limit, which is specified in regulations, equates to one person spending 3½ working days locating and extracting all of the information within scope of the request. Consequently, under section 12(1) of the FOIA, HMRC is not obliged to comply with any part of your request.

Although your request exceeds the FOIA cost limit, we did find some readily available information, which we are providing on a discretionary basis.

1. *An analysis of the £23.9bn of additional tax revenue ("the £23.9bn") by customer segment. If such a breakdown cannot be provided, please provide an analysis by the HMRC directorate and, where appropriate, sub-directorate.*

The department does not record yield from compliance activity by customer segment and attempting to construct this data would substantially exceed the FOIA cost limit. We do however have figures by organisational directorate readily available, and the £23.9bn 2013-14 yield is broken down as in the table below.

	£bn
Local Compliance	8.9
Specialist Investigation	4.2
Other E&C	2.5
Large Businesses	5.9
Product and Process Yield	1.2
Specialist Personal Taxes	1.1
<b>Total Revenue Raised</b>	<b>23.9</b>

*Figures may not add to total due to rounding*

4. *An analysis of the revenue protected using the categories noted in Fol 3059/13 i.e. revenue loss prevention, future revenue benefit and product & process revenue.*

This breakdown is provided on page 9 of the [2013/14 Annual Report](#) available on gov.uk.

5. *Confirmation of whether the £23.9bn includes the estimated revenue impact of changes to tax law.*

The estimated impact of changes to tax law are included within the £23.9bn where those changes satisfy the definition for Product and Process Yield. Product and Process yield is an estimate of the impact in each year of legislative changes made in the SR10 period that close tax loopholes reducing opportunities to avoid or evade tax. There is a more comprehensive description of Product and Process Yield provided in our [Business plan indicators quarterly performance update](#).

6. *Confirmation of whether the estimated impact of any or all of the 42 changes to tax law referred to on page 3 of the bulletin was included in the £23.9bn.*

Those tax law changes which also satisfy the definition of Product and Process Yield contribute to the £23.9bn.

7. *HMRC's estimate of the revenue impact of the 42 changes of tax law referred to on page 3 of the bulletin along with, if different, the amount of this that was included in the £23.9bn.*

The revenue impact of each of the 42 changes to tax law referred to in the "Fast Facts" publication is provided in the relevant Budget or Autumn Statement documentation available on gov.uk. Tax law changes which scored for Product and Process yield, and had an impact in 2013-14, contributed £1.2bn towards the £23.9bn in 2013-14.

If you are not happy with this reply you may request a review by writing to HMRC FOI Team, Room 1C/23, 100 Parliament Street London SW1A 2BQ or by e-mail to [foi.review@hmrc.gsi.gov.uk](mailto:foi.review@hmrc.gsi.gov.uk). You must request a review within 2 months of the date of this letter. It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome of an internal review, you may apply directly to the Information Commissioner for a decision. The Information Commissioner will not usually consider a case unless you have exhausted the internal review procedure provided by HMRC. He can be contacted at The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.

Yours sincerely,

Justin Holliday  
Director (Corporate Finance)