

# Office for Tax Simplification adopts Tax Research UK id...

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The [Office for Tax Simplification has published its first report](#) on simplifying small business tax.

I submitted evidence to this review and met the OTS.

And they seem to have listened. One recommendation is for a reform [I first suggested in 2006](#) - and which was (I know) reviewed extensively by HMRC at the time (I know because I met them to discuss it). [This is for a flat rate deduction for expenses for small business](#). In other words, all a small business would have to record would be its income and a standard offset percentage would be allowed, if they wished, for expenses.

Tax fraud at this level is on income - so the whole focus should be on that. And of course this would not stop a business preparing accounts if it wanted.

This is a move in the right direction.

Merging NIC and income tax is another issue.