

When HMRC cannot operate at the most basic level something

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As the [Guardian has reported](#):

People who filed late tax returns have been let off a £100 fine for missing the deadline, it has been reported.

An internal memo leaked to the [Daily Telegraph] revealed that [HMRC](#) staff were asked to write off the fine without further investigation for individuals who could show mitigating circumstances, and who appealed after paying their tax bill.

As they then report:

According to the Telegraph, the memo to HMRC staff said: "Our penalty regime is intended to influence customer behaviour, but also be clear and cost-effective, fair and proportionate.

"The current way of managing penalties does not meet these objectives, and so we have decided to take a more proportionate approach where a customer has filed their return late, and then appealed against their penalty ...

"This means that in the vast majority of cases we will be accepting the customer's grounds for appeal, and we can cancel the penalty."

The explanation given to the Telegraph was:

"We want to focus more and more of our resources on investigating major tax avoidance and evasion rather than penalising ordinary people who are trying to do the right thing."

This is absurd for several reasons.

Firstly, if penalties are randomly enforced there is no justice. This is ethically wrong.

Second, if penalties are routinely found to be unjust they should not be charged. This

action does, then, demand a review of the penalty regime.

Third, if the tax system cannot be enforced then HMRC is very clearly a failing organisation.

The case for reviewing HMRC, its governance, ethics and resourcing is now overwhelming. But when will it happen? And when will we get the Office for Tax Responsibility that is so obviously required?