

HMRC has got a lot to do

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The All Party Parliamentary Group on Responsible Taxation [has a new call for papers out](#). Their plan is to hold an inquiry into public confidence in HMRC's capability to collect tax fairly and effectively.

I submitted a response yesterday, [which is here](#).

I said in response to the question 'What legislative, resourcing or other measures would help to narrow the tax gap?'

- * Properly appraise the tax gap: no management is effective until it properly appraises the issues it faces;
- * Set up an Office for Tax Responsibility to monitor the tax gap independent of HMRC management;
- * Appraise the cost of all tax reliefs and allowances and eliminate as many as possible to reduce cost, remove loopholes and ease taxpayer life;
- * Provide as many tax reliefs (pensions, charitable giving, etc.,) at just one rate to ease administration;
- * Integrate Companies House and HMRC with one annual return required from all companies, without exception;
- * Make the directors of companies who do not file required returns personally liable for all tax owing;
- * Introduce annual automatic information exchange from UK banks to HMRC on bank accounts a company maintains, beneficial ownership of the company, trading addresses, known directors, and annual deposits;
- * Consider requiring the same data for UK resident individuals;
- * Require public country-by-country reporting for the behavioural change it will give rise to;
- * Properly use naming and shaming powers;

- * Require an HMRC office in every town of more than 100,000 people with an enquiry centre attached;
- * Improve HMRC pay: make HMRC a viable career option once more;
- * Set HMRC a task of maximising revenue, not minimising cost;
- * Require a broad basis of representation on the board of HMRC;
- * Equalise the rates of income tax and capital gains tax to minimise the incentive to tax abuse;
- * Reduce the gap between income tax and corporation tax rate to minimise tax abuse.

There is a lot to do.