

**Tax Law Rewrite  
Response to Paper  
CC/SC (08) 14  
Charges on income**

This document is available on the internet at:

<http://www.hmrc.gov.uk/rewrite>

18<sup>th</sup> October 2008

## **Charges on income**

### **Introduction**

1. In April 2008 we published Committee Paper CC/SC (08) 14 on the HMRC internet website [www.hmrc.gov.uk](http://www.hmrc.gov.uk) The closing date for responses was 18 July 2008. The draft clauses rewrite the legislation on charges on income

2. The purpose of this response document is to provide details of the substantive technical points made and to explain our analysis and proposals in respect of them. Minor points, such as suggestions to improve punctuation are not covered but all comments have been carefully considered.

3. We received written responses from the following;

- The Confederation of British Industry
- The Institute of Chartered Accountants in England and Wales

4. We are very grateful for all the comments made, and we appreciate the time and effort that went into them. We are sending each respondent a copy of this response document.

5. The following abbreviation for tax legislation is used in this response document:

- ITA                    Income Tax Act 2007

### **General**

*Since the only things that now qualify as charges on income are gifts to charity, it should be possible to use a more descriptive name for them.*

6. *We are sympathetic to the suggestion that it should be possible to use a more descriptive name. We are therefore investigating this possibility.*

### **Clause 9: Gifts and benefits linked to periods of less than 12 months**

*Q1 Change 658 reproduces with appropriate modification change 77 in ITA 2007 and so brings income tax and corporation tax codes back into line. We welcome comments on the proposal to carry this change across to corporation tax.*

7. This proposal was supported by the respondents who commented.

*Q2 We welcome comments on the proposal to replace the words “the Board” with the words “an officer of Revenue and Customs”*

8. This proposal was supported by the respondents who commented.
9. Comments on policy matters have been passed to the relevant policy specialists for consideration.