



Treasury Committee

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Rt Hon Jeremy Hunt MP
Chancellor of the Exchequer
via email

2 March 2023

Dear Jeremy,

The closure of the Office of Tax Simplification

Yesterday the Treasury Committee heard evidence from the independent Office of Tax Simplification (OTS). The hearing covered the closure of the OTS, which was announced by your predecessor, Kwasi Kwarteng, in the Growth Plan on 23 September 2022.

You did not overturn the decision to close the OTS in your Autumn Statement on 17 November 2022. Yesterday the OTS confirmed that they expect to be formally abolished through the Finance Bill that will follow your Budget later this month, subject of course to approval by Parliament.

In light of this, the Committee would be grateful if you could respond to the following questions:

1. You were in the Cabinet when George Osborne established the independent OTS. What analysis were you shown that supports your decision to continue with its abolition?
2. In your opinion, is the tax system now successfully simplified? Or has the OTS not succeeded in delivering the simplification you want?
3. Please set out the full thinking behind your decision to proceed with the closure of the OTS.
4. What steps are being taken to ensure that important work to simplify the tax system would continue in the absence of the OTS?
 - What resources will be allocated to tax simplification within the Treasury and HMRC?
 - Which Minister will hold responsibility for it?
 - Which metrics will the Government use to assess its performance?

In line with the Committee's usual practice, I will be placing this letter and your response in the public domain. I would be grateful for a reply by 23 March.

With best wishes,

Harriett Baldwin MP
Chair of the Treasury Committee