



Treasury Committee

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Rt Hon. Jesse Norman MP
Financial Secretary to the Treasury
HM Treasury
Via email

24 November 2020

TAX POLICY STATEMENT 12 NOVEMBER 2020 AND THE TAX POLICY MAKING PROCESS

Dear Jesse

On 12 November 2020 you made a tax policy statement. This included a new consultation on making tax digital for corporation tax, and important new announcements about excise duties and on tackling promoters of tax avoidance (among other announcements). This statement followed an earlier package of tax policy announcements on 21 July as well as the tax announcements that the Chancellor made on 8 July in the Plan For Jobs.

As you know, the Government's tax policy making principles include predictability, stability, simplicity and transparency, a commitment to consultation including on draft legislation, but also a presumption that tax policy announcements will be made at Budget. I am concerned that this year the government is instead staggering tax policy announcements across the year instead of including them in the next available fiscal event. I would welcome confirmation that Government will in future announce tax policy at fiscal events wherever possible. I am also concerned that Parliament was not given advance notice before the statement on 12 November. Can you confirm that you will give Parliament prior notice in future?

Also that following last week's announcement there will not be another package of announcements before Budget 2021.

Finally, I was concerned to see that the Treasury has not yet published impact assessments for the abolition of the VAT retail export schemes and airside duty free ESC which take effect on 1 January 2021 and which were announced in the Government's response to the consultation response on 12 September 2020. Please could you let me know when these will be published?

Yours sincerely,

Rt Hon. Mel Stride MP
Chair of the Treasury Committee