

Nothing much to worry about this month (unless you happen to export concrete to Europe, take part in tax avoidance schemes, or have old Certificates of Tax Deposit lying around).

Child Trust Funds

One more reminder that, if you have a child who was born between 1 September 2002 and 2 January 2011, they will have a Child Trust Fund. When they are 18 they can reclaim the cash: details are [here](#) on gov.uk. They should check this out even if you did nothing about it at the time: the government will have invested the initial £250 for them! ■

Plastic Packaging Tax

If you are one of the 4142 UK businesses affected by the Plastic Packaging Tax you may be interested in the statistics from the first year of its operation, which can be found [here](#). 39% of all the plastic manufactured or imported into the UK was taxable under the PPT, 40% was exempt because it contained 30% or more recycled plastic and 21% was exempt because it was for export. ■

Research and development

You will already know that more information is now required if you claim Research and Development relief. HMRC report that almost half the claims received in the first month after the change omitted the additional information form (AIF) and so were invalid. If you will be making a claim for R&D you need to start compiling the AIF at the start of each project. For more information start [here](#). ■

Certificate of tax deposit

[The Certificate of Tax Deposit scheme](#) allowed you to deposit money with HMRC and use it later to pay tax liabilities. You would buy a certificate and then use it later to pay tax – it was a useful way for some people to keep track of payments but no new certificates were sold after November 2017.

Please now check carefully to make sure you have no certificates in hand anywhere as any certificates you have in stock will no longer be honoured after **23 November 2023**. ■

Small businesses

Are you [a small company](#)? It may surprise you, but if you are a company the definition of “small” is any two of these:

- a turnover of £10.2 million or less
- £5.1 million or less on your balance sheet
- 50 employees or fewer

(Other definitions are used for other government purposes but as a general rule “small” businesses – incorporated or not – can turn out to be a lot larger than you might think!).

Small businesses are represented in HMRC by ABAB, the Administrative Burdens Advisory Board. The results of their annual survey (which goes out in the spring) can be found [here](#). You will see that they are pleased that the number of responses to their survey went up from around 3000 to some 7500 when there are around five million small businesses in the UK.

A work in progress, I think we can agree! ■

Mid-sized businesses

Another definition: if you are a business with **EITHER** a UK turnover above £10 million **OR** at least 20 employees then you are considered a “mid-sized business” for the purposes of getting help from HMRC. The very largest businesses have specific HMRC account manager contacts but HMRC have been trialling a similar temporary version of this service for mid-sized businesses within the definition, and have decided the service will continue. You can read more detail about the offer [here](#) but there is a useful factsheet on the [CIOT website](#) which you might prefer to start with: it can be found [here](#). ■

Carbon Border Adjustment Mechanism

You probably don't need to know about the new EU carbon border tax, the Carbon Border Adjustment Mechanism. However if your business happens to include exporting cement, fertiliser, hydrogen, aluminium, electricity, iron, steel or items like nuts and bolts into the EU, then you need to read about the new requirement to make quarterly declarations of the carbon emissions [here](#) and then take urgent advice, as the new requirements came into force on 1 October 2023. ■

Preferences for contact with HMRC

General interest only: if you have free time, the HMRC research [here](#) is an interesting read – apparently we “would prefer to use online channels” to communicate with HMRC according to the first line of the report. The exceptions and qualifications to this seem to take up the rest of the text! ■

Scotland

[The Scottish Income Tax HMRC annual report 2023](#) has now been published. It may be of interest if you are, or may become, a Scottish taxpayer or you pay staff who are Scottish taxpayers. ■

Contractors Support Ltd

If you have had dealings with a company called “Contractors Support Ltd” you may be interested to read the [judgement in their tax tribunal case](#) against HMRC. They appealed against an information notice asking for details of bank accounts and work done but didn't make a formal appeal.

They won on the point that their letter to HMRC, although not saying it was an appeal, just about constituted one – but then the appeal was struck out because there is no appeal against an information notice.

The judge said *“To my mind this is finely balanced. In the context of an organisation which professes to provide a variety of services to clients to take the stress away from those clients when dealing with HMRC, I find it somewhat surprising that the appellant was not able to submit what would clearly be a notice of appeal. If the appellant's team had the range of expertise which it professes to have, it would not have been difficult to simply say at the head of the email “We wish to appeal against the information notice dated 12 May 2022”. And that would have been that. But it didn't.”* ■

High income child benefit charge

As you will know, you may have to pay the [high income benefit charge](#) if you or your partner have an individual income that's over £50,000 and either:

- you or your partner get Child Benefit
- someone else gets Child Benefit for a child living with you and they contribute at least an equal amount towards the child's upkeep

It is important not to rely on your P60 to determine whether or not your income is over £50,000 for this purpose as benefits can be included and take you over the threshold. If in doubt, try the adjusted net income calculator [here](#). ■

And finally HMRC have asked me to bring to your attention that they have added 1st Choice Umbrella Ltd to their list of promoters of [avoidance schemes](#). If you are unfortunate enough to have engaged with a disguised remuneration or loan charge scheme you can start unwinding it by [following this link to HMRC's views](#) although I would also suggest engaging a specialist adviser before speaking to HMRC, just as you would get a solicitor before talking to the police.

Next month: the Autumn Statement! Let's hope it's profoundly boring and extremely dull - excitement is the last thing we want from tax policy making... ■

If you have any feedback or queries relating to any of the items in Newsline
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