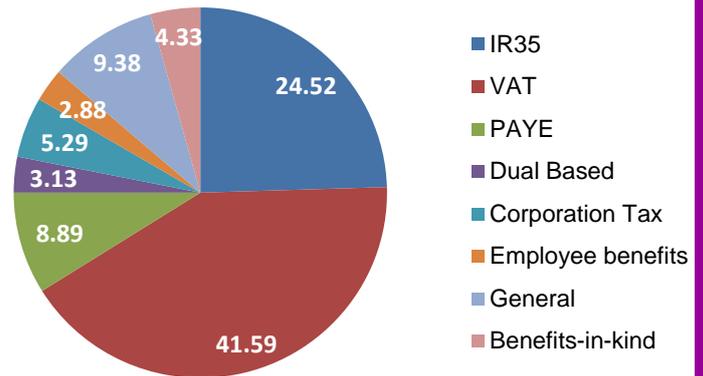


## Tax Centre of Excellence one year on

As the Tax Centre of Excellence is now a year old we would like your feedback on the services that we provide and what you would like to see in the future. Please click [here](#) to complete the short survey.



Percentage of Service Requests by topic, 2016-17

## What's new?

### **T** Out of date claims for recovery of VAT

Because VAT recovery under COS is met from public expenditure rather than VAT revenues, claims must be made within the financial year in which the VAT is incurred – with a 3 month adjustment period. If an invoice dated on or before 31/3/2017 is received after the 3 month adjustment period, e.g. from July 2017 onwards, HMRC will disallow the recovery of VAT.

### **C** IR35 compliance

HMRC will soon start to conduct reviews to gauge the level of compliance / understanding of the new off-payroll rules. We are working with HMRC on this but expect HMRC to want to look at (non-exhaustive): awareness of the rules, identification of the affected contractor population, processes to assess new engagements, monitoring arrangements, changes introduced in policy areas such as procurement, HR etc to support compliance, and a detailed look at a sample of engagements to understand the actual working practices to ensure the correct assessment as been made. More to come.

### **O** VAT on ebooks

MEPs in the Economic and Monetary Affairs Committee have backed a proposal for EU member states to be able to charge a reduced rate of VAT on e-books, rather than the current minimum of 15%, enabling ebooks to be brought in line with printed publications. The overall European Parliament will vote on this at the end of the month. Read more [here](#).

### **E** Corporation Tax Guide / Aide Memoire

We are working with HMRC to produce the above guide for our NDPBs with the aim of increasing capability in this area, consistency, and compliance with CT issues. The guide is comprehensive, easy to follow, and almost completed so will be published on the website shortly- we will let you know when it has been issued.

## Partial Exemption (PE)

We are also developing with HMRC, a cross-government 'easy to follow' framework to support Departments in their PE calculations, gain some consistency in approach and address the main issues raised by GDs to date around PE. If you have any particular issues/concerns with PE please do get in touch. Our target for implementing the framework is July/August.

*Don't forget to regularly visit our Tax Centre of Excellence [website](#) which contains lots of other useful guidance and documentation.*