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What has the Tax Centre of Excellence been working on?

We are currently working on the VAT treatment of 'Government Department Training Schemes' to provide clarity on the guidance. In addition, the NHS website is now [live](#) and is available on the Tax Centre of Excellence website. This website encompasses all the TCoE guides that are applicable to the TCoE NHS sector along with an HMRC guidance tool specifically for NHS to navigate through relevant HMRC documents.

PAYE Forum

If you haven't already responded please could you send [us](#) a list of PAYE contacts from your departments, in order to help us be more targeted in our Forum communications.

Year – end Considerations

We encourage you to start to consider what changes need to be implemented for year end - April 19 reporting. A big change is in respect of payments to the part time Office holders; from 6th April 19 payments will have to be paid through the payroll to account for the tax and National Insurance instead of the current process of dealing with the tax via the PAYE Settlement Agreement (PSA). There are other changes to PSAs as well, including for example, being able to differentiate in reporting for the threshold changes for Scottish Income Tax. Please see [here](#) for further information.

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GD Implementation Date deferral of Making Tax Digital (MTD)

[MTD](#) is into its Beta phase of the pilot which has now opened for circa half a million business whose affairs are straightforward and up to date. In October, HMRC announced a six month deferral on the implementation start date of MTD for businesses falling within a specific criteria, including Government Departments, NHS Trusts, local authorities and public corporations. From October 2019 MTD will be mandated for these businesses. The deadlines for sending VAT returns and making payments will not change.

Oracle Application Process Interface Update

Oracle have recently confirmed their decision not to build an Application Program Interface (API) into their systems to accommodate the GD submission of a VAT 100 under MTD. Instead they will direct their customers to third party bridging software that they will need to consider as an alternative. As a result, a project team will be in contact with all customers currently captured in the HMRC public body VAT system to understand what systems they use, so that a dialogue can be developed with their providers at the earliest opportunity.

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Closure of Childcare Vouchers

The childcare voucher and directly contracted childcare schemes closed to new applicants on 4 October 2018. These schemes are gradually being replaced with Tax-Free childcare, which provides parents with up to £2,000 per child, per year towards childcare costs (£4000 for disabled children. Your employees will need to tell you within 90

days if they start getting Tax-Free Childcare, so you can cease vouchers and directly contracted childcare with income tax and MICs reliefs. For more information please see [here](#).

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Updated VAT Notice 725 – The Single Market

HMRC have updated the [VAT Notice on the Single Market](#). This notice explains the way VAT is charged and accounted for on the movement of goods within the EU Single Market and how businesses should account for VAT on goods they buy from other EU Member States. Paragraph 15.4(d) has been corrected to align with excise guidance. A vendor is responsible for UK Excise Duty when excise goods move between EU Member States, as well as appointing a UK representative to account for duty.

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Exporting Goods outside the EU

HMRC has updated its guidance regarding customs requirements, duties and VAT payable when exporting goods to a third country outside the EU. The section 'Export licences and other controls' has been updated about the need to have a licence to export some goods and services. For further information please see [here](#).

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Update on Brexit

Whilst the government continues to work on a negotiated EU exit agreement, they have now published over 120 Brexit No Deal outcome documents. These set out the implications of a No Deal outcome on various sectors/specific activities and how to prepare for such a scenario. If you have not already done so please do review the list and ensure your business areas are aware of their contents. Please see [here](#) for the contents. In addition to this HMRC have recently published a [Partnership Pack](#). The pack focuses on how VAT, Customs and Excise could be affected and includes additional information about trade at the border from departments across government.

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VAT Supplies electronic, telecommunication and broadcasting services

HMRC has published draft statutory instruments for technical consultation. This measure will make 2 changes to the rules for businesses making sales of digital services to consumers across the EU. A [draft tax information and impact note](#) has also been published to explain the potential impact of the proposals on the economy, business, individuals and other areas. The legislation will take effect on 1 January 2019.

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

Once more, we welcome feedback and if there are any topics that you would like to see covered in the future. Email us [here](#).