**Response to consultation document “Tax Administration”**

Responses should be sent by 7 November 2016

by e-mail to: MTDTA@hmrc.gsi.gov.uk

or by post to:

HM Revenue and Customs

Making Tax Digital Tax Administration

Room 1C/06

100 Parliament Street

London SW1A 2BQ

**From:**

**Date:**

**Compliance powers**

**Question 2.1:** Do you agree that compliance legislation should be amended to replicate current enquiry powers into the Self Assessment return to the End of Year declaration?

**Question 2.2:** Do you agree that current HMRC and customer safeguards should also be maintained?

**Question 2.4:** Do you agree with the proposed approach to replicate HMRC’s compliance powers for determinations, corrections, information powers and discovery assessments?

**Question 2.5:** Do you have any other comments on how compliance powers need to change to transition to MTD?

**Late submission penalties**

**Question 3.1:** Do you agree that 12 months is an appropriate length of time to allow customers to become familiar with the new obligations before the new penalty regime comes into effect?

**Question 3.2:** Do you agree that the period to wipe the slate clean should be 24 months? If not, what other period would be appropriate?

**Question 3.4:** At what stage for each of the different submission frequencies (monthly/quarterly/annual/one-off) should points generate a penalty?

**Question 3.6:** Do you agree that, in principle, a single points total that covers all of the customer’s submission obligations is the right approach?

**Question 3.9:** Do you agree that a fixed amount penalty is appropriate?

**Question 3.10:** Should the amount of fixed penalty reflect the size of a business?

**Question 3.11:** Do you agree that points should only become appealable when they have caused a penalty to be charged?

**Late payment penalties**

**Question 4.1:** Do you agree that 14 days is an appropriate length of time to allow customers to either pay in full, or make arrangements to do so before penalty interest is charged?

**Question 4.2:** Do you think that charging penalty interest is the right sanction for noncompliance with payment obligations?

**Interest on late payments**

**Question 5.1:** Should the current interest rules for Income Tax and Class 4 National Insurance contributions continue to apply in MTD?

**Question 5.2:** Do you have any initial comments about aligning interest rules across taxes?

**Question 6.1:** Please provide details of how you think the proposed administrative changes will affect you **and your clients**, including details of any one-off and ongoing costs or savings.

**About us**

**Size of your firm** (partners and staff)

**Number of business** **clients** Self employed / Landlords / Limited companies

**Any particular trade specialisms**

**Any other information you would like to supply**