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HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

**Tim Ward**  
**Chief Executive**  
**The Quoted Companies Alliance**  
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19 May 2011

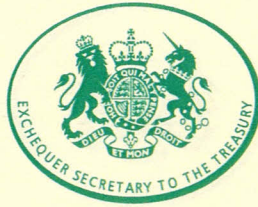
Dear Mr Ward

### **DISGUISED REMUNERATION**

Thank you for your letter of 28 April, enclosing a briefing note on the disguised remuneration legislation.

Since writing your letter, I hope you will have become aware that we have now tabled a number of amendments to the legislation. I believe these amendments will help with the concerns highlighted in your briefing note. In considering amendments to the legislation, I am sure that you will appreciate that we must ensure that we do not undermine the effectiveness of the wider measure in relation to disguised remuneration.

Officials from HM Treasury and HM Revenue & Customs (HMRC) consulted widely before drafting these amendments, and I am aware that this consultation included a meeting arranged by the Quoted



Companies Alliance, where I understand many helpful suggestions were made.

The legislation does need to be detailed and thorough, both to deal with the range of tax avoidance arrangements which exist, and to ensure that it is properly targeted. However, once the legislation has been enacted, comprehensive guidance will be published by HMRC to help employers and their advisers understand the legislation, and how it will be applied in practice.

Thank you for taking the trouble to raise your concerns with us.

*Yours sincerely*

**David Gauke MP**