

Held on: Wednesday 23 March 2016 at 9.00am
Grant Thornton, 30 Finsbury Square, London, EC2A 1AG

Present:	Neil Pamplin (Chair)	Grant Thornton UK LLP	NP
	Paul Fay	Crowe Clark Whitehill LLP	PF
	Neil Armstrong	Frontier Developments PLC	NA
	Emma Bailey	Fox Williams LLP	EB
	Michael Bell	Osborne Clarke	MB
	Nick Burt	Nabarro LLP	NB
	Richard Jones	RSM	RJ
	Shofiq Miah	Fox Williams	SM
	Alf Orban	PricewaterhouseCoopers LLP	AO
	Dan Robertson	RSM	DR
	Matthew Rowbotham	Lewis Silkin	MR
	Vijay Thakrar	Deloitte LLP	VT
	Maria Gomes	Quoted Companies Alliance	MG
	Callum Anderson (minutes)	Quoted Companies Alliance	CA

ACTIONS

1. Apologies

Apologies were received from Sam Dames, Tim Davies, Mark Joscelyne, Dick Steele, Aidan Sutton and Tim Ward.

2. Minutes of last meeting (10 November 2015)

The minutes were approved.

3. Consultation Papers/Announcements

	Item	Action by TEG
a)	<p>Budget 2016</p> <p>The Group welcomed both measures reducing Capital Gains Tax and Corporation Tax rates.</p> <p>The Group commented that the CGT Entrepreneurs' Relief extension to long-term investors was a big win for the QCA. It was noted that the relief only included new issues of shares only and not traded shares. It was agreed that aligning employee interests with shareholder interests would continue to feature in future QCA Budget Representations.</p> <p>The Group decided to send a letter to David Gauke welcoming the CGT Entrepreneurs' Relief measure and indicating what else can be done to improve the tax environment for smaller firms.</p> <p>NP stated that the next round of QCA budget representations needed to feature something new. The issue of 'tax certainty' was identified as a theme that should be included in the next round of representations.</p> <p>Furthermore, the impact of the Apprenticeship Levy on smaller</p>	<p>CA/MG to draft letter to David Gauke regarding Budget 2016.</p> <p>[this has now been done]</p> <p>NP to draft member questionnaire in preparation for Budget Representations 2017.</p>

	<p>businesses was discussed and it was agreed that that should be explored further.</p> <p>Other issues to be explored included a reformed EIS regime and establishing a CRM framework that works effectively for smaller businesses, adjusting thresholds for transfer pricing and the diverted profits tax.</p> <p>The Group decided to send a questionnaire to our members enquiring about the tax issues that are/will be most affecting their companies in the coming year(s).</p>	
b)	<p>Finance Bill 2016</p> <p>The Group noted that under transfer pricing rules, tax relief for interest is still restricted to the arm's length amount but takes no account of whether the income and assets supporting that interest are taxable.</p> <p>Moreover, it was noted that the new corporate tax loss relief rules will only affect the largest (top 1%) companies.</p>	None to note.
c)	<p>QCA Discussion Lunch with David Gauke MP, Financial Secretary to the Treasury (21 January 2016)</p> <p>NP explained that the Group had had a good discussion with Mr Gauke, who had been receptive to the Group's views. . He added that there was a good level of attendance by corporates.</p>	None to note.
d)	<p>European Commission consultation – Improving double taxation dispute resolution mechanisms</p> <p>The Group decided that there was nothing relevant for our members in the consultation to require a response.</p>	None to note.
e)	<p>Base Erosion and Profit Sharing and Regulations to implement country-by-country reporting – status update only</p> <p>This was not discussed.</p>	None to note.

4. Communications and Future Meetings

	Document	Action by TEG
a)	<p>Guest invitations to future meetings</p> <p>The Group suggested inviting:</p> <ul style="list-style-type: none"> - Rob Marris MP (Shadow Financial Secretary to the Treasury); - Nigel Mills MP; - A BIS official handling the Apprenticeship Levy dossier; - Suitable HM Treasury officials to discuss 'tax certainty'. 	<p>CA/MG/Patricia Silva to invite guest speakers to future meetings.</p>

b)	Policy Update (February 2016) This was not discussed.	None to note.
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5. Any Other Business

It was decided that, in light of the EU referendum, **the next Tax Expert Group meeting would be rescheduled** to after the referendum has taken place. A new date will be announced in due course.

CA/MG/Patricia Silva

6. Next Meeting

TBC, 09:00 – 10:30 (Grant Thornton UK LLP, 30 Finsbury Square, London EC2P 2YU)