

held on Wednesday 22 January 2014 at 9:00am
at Grant Thornton, 30 Finsbury Square, London EC2P 2YU

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|-----------------|------------------------|---------------------------|------|
| Present: | Neil Pamplin (Chair) | Grant Thornton UK LLP | (NP) |
| | Paul Fay | Crowe Clark Whitehill | (PF) |
| | Emma Bailey | Fox Williams LLP | (EB) |
| | Nick Burt | Nabarro LLP | (NB) |
| | Christopher Connors | Clyde & Co LLP | (CC) |
| | Tim Crosley | Memery Crystal | (TC) |
| | Samantha Dames | CMS Cameron McKenna | (SD) |
| | David Gubbay | Dechert LLP | (DG) |
| | Natasha Kaye | Olswang | (NK) |
| | Joseph Litten | Ernst & Young LLP | (JL) |
| | Andrew Prowse | Field Fisher Waterhouse | (AP) |
| | Adam Singer | Bird & Bird LLP | (AS) |
| | Kate Featherstone | Pinsent Masons LLP | (KF) |
| | Andrew Prowse | Field Fisher Waterhouse | (AP) |
| | Kate Jalbert (minutes) | Quoted Companies Alliance | (KJ) |

ACTIONS

1. Apologies

Apologies were received from Michael Bell, Jason Collins, Richard Jones and Vijay Thakrar.

2. Minutes of last meeting (8 October 2013)

The minutes were approved.

3. Consultation Papers/Announcements

- **Autumn Statement and Draft Finance Bill** – Abolition of stamp duty reserve tax on growth market shares (RD: 4 February 2014)

KJ asked if there were any comments on the draft finance bill, particularly on the stamp duty abolition. EB noted that the process for consideration of market applicants was not particularly clear. KJ said she would put this in the QCA's response. KJ

- **David Gauke MP Discussion Lunch – 20 January 2014**

TC noted that the discussion lunch with David Gauke MP earlier in the week went well. The key points made were on:

- Entrepreneurs' Relief
- Remuneration of NEDs
- Aggregates Levy
- The top 1% of tax earners raise 30% of tax take

NP noted that almost 1/3 of the participants of the lunch highlighted Entrepreneurs' Relief as an issue. TC noted that £30 gross assets test for EMI has been the same since introduction and he believes it could be worthwhile to push for a change to this (perhaps for it to be indexed).

There was a general impression that he was not as forthcoming about certain aspects that may or may not be in the upcoming Budget, but that he was committed to this be an annual event.

- **Budget Statement – 19 March 2014**

It was agreed to move the April meeting to the week after the Budget so that the group could discuss any measures announced.

Chris Stapeley

4. Communications and Future Meetings

- **Priorities for 2014**

NP noted that he would like the expert group to focus on communicating its work with corporate members and getting more direct feedback from them on what the group should campaign on.

The group noted that it would be helpful to put more questions in surveys that the QCA does on tax. KJ noted that there is always a wave each year of the QCA/BDO Sentiment Index, which covers the Autumn Statement/Budget and what people would like to see in there. KJ will circulate the data to the group on this.

KJ

NP noted that it would good to focus more on the measure in the Budget representations on the costs of raising equity to be tax deductible. KJ noted that the Treasury is putting out a consultation in Q1 2014 on enhancing UK equity markets and that this would be good place to further highlight the imbalance between debt vs. equity in tax.

NP suggested also focusing on the impact of IFRS 102 on tax. KJ noted that she will put NP in touch with Matthew Stallabross, Partner at Crowe Clark Whitehill and Chairman of our Financial Reporting Expert Group.

KJ

- **Policy Update (January 2014)**

This is for information only and was not discussed.

- **Invites for future meetings**

Suggestions for future guests include: Shabana Mahmoud MP, Danny Alexander MP, Ed Balls MP, Nigel Mills MP. KJ noted that she will look at the House of Lords Committee examining the Finance Bill and see if there is anyone on that group which we could invite to a meeting. PF suggested someone from HMRC to attend – perhaps to discuss EIS (making the meeting a joint one with Share Schemes Expert Group). The group also suggested inviting John Whiting from the OTS to a future meeting to talk about their work, particularly on partnerships.

KJ/Chris Stapeley

5. Action Points

| Action | Person | Timetable |
|--|--------|-------------------------------|
| Draft response to Draft Finance Bill – Abolition of stamp duty reserve tax on growth market shares and circulate it to the group | KJ | ASAP (before 4 February 2014) |

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|---|----------------|------|
| Move the April meeting to the week after the Budget | Chris Stapeley | ASAP |
| Circulate the data from the QCA/BDO Index on Budget Questions | KJ | ASAP |
| Put NP in touch with Matthew Stallabrass to discuss IFRS 102 and the tax impact of it | KJ | ASAP |
| Invite future guests to meetings | KJ | ASAP |

6. Next Meeting

9:00 Thursday 2 April 2014 at Grant Thornton