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The Rt Hon Nicky Morgan MP
Chair of the Treasury Committee
House of Commons
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Nicky Morgan

Thank you for your letter of 7 November regarding the tax policy making process, and previous correspondence relating to this issue. Like my predecessor, I welcome the Treasury Committee's continued engagement in this area and I look forward to working with the Committee on these issues.

In your letter, you asked about oral evidence sessions at the Finance Bill committee. As Jane Ellison stated, this is fundamentally a matter for the Business Managers and the usual channels and I do not wish to encroach on their remit in this area.

With regard to tax policy consultation, although I recognise that the transition to a single fiscal event this year has required adjustments to the process, I can assure you that the Government remains committed to the principles set out in 2010 to take a more consultative approach to tax policy making. The Government intends to publish a document before the end of the year providing further detail on the new Budget timetable, which I hope will be helpful in setting out our intentions in this area.

You also requested an update on the online consultation tracker. The Government recognises that this has been a useful tool for tax professionals and others involved in scrutinising tax policy.

The Government is engaging with tax professionals and other interested parties on ways to enable stakeholders to see where in the policy development cycle a tax measure is, when consultation will take place and the relevant deadlines. We will set out further details on this before the end of the year and I have asked my officials to let your Committee Clerk know when we have done so.

Finally, with regard to Tax Impact and Information Notes (TIINs), the Government will continue to use the publication of legislation in draft to publish corresponding TIINs. Under the new tax policy making timetable, that will take place in July. As there will not be an OBR forecast in the summer, TIINs will reflect the most recent Budget costing but note where policy changes are expected to alter significantly.

On the basis of our experience, we expect that the great majority of TIINs will reflect costings that are not significantly different to the final numbers. We have considered this issue carefully and reached the conclusion that this is the best approach to take, given the importance of OBR assurance on costings.

Thank you for taking the time to write to me on these issues. The Government is committed to improving the way tax policy is made, particularly as we move to a single fiscal event a year. I am convinced that the new Budget timetable will greatly benefit tax policy development, and I welcome the Treasury Committee's continued scrutiny and engagement in this area.

I am copying this letter to the Chief Whip.



RT HON MEL STRIDE MP