



HOUSE OF LORDS

Economic Affairs Committee

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The Rt Hon the Lord Young of Cookham CH
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7 May 2019

Dear George

I am writing to thank you for your response to last week's debate on the Finance Bill Sub-Committee's two reports in 2018, *Making Tax Digital for VAT: Treating Small Businesses Fairly*, and *The Powers of HMRC: Treating Taxpayers Fairly*. The Committee, and I believe the whole House, were grateful that you acknowledged the deep concern expressed in the debate, particularly in relation to points raised in our *Powers of HMRC* report. I wish to follow up on some of the commitments you gave in your response.

First, you told the House you would ask the Financial Secretary to the Treasury whether he might "reflect again" on his decision not to appear before the Economic Affairs Committee or the Finance Bill Sub-Committee on the topics of these reports.

Second, you noted the grave tone of the debate about some of the actions taken in relation to HMRC's powers of tax administration, and the loan charge in particular, and suggested you would "raise with the Chancellor and ministerial colleagues the nature and tone of this debate, and see—within the constraints that I am sure all noble Lords understand—whether we can go some way to meeting the issues that have been raised."

I would be very grateful for an update on the outcome of your discussions with ministerial colleagues on these two matters.

Yours
Michael

The Rt Hon the Lord Forsyth of Drumlean
Chairman of the Economic Affairs Committee and Finance Bill Sub-Committee