



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

The Rt Hon, the Lord Forsyth of Drumlean
Chairman of the Economic Affairs Committee
House of Lords
London
SW1A 0PW

24 December 2018

Geoff Michael

Thank you for your letter of 7 November, and for the subsequent copies of your Sub-Committee's two reports on the powers of HMRC and Making Tax Digital for VAT.

I will respond in detail to the substance of your reports by the deadlines which you suggest. I would like to reassure the Committee that my response will be detailed, and will give the Committee a clear ministerial view on the questions raised by your reports, including on the oversight of powers exercised by HMRC.

I should though register my disappointment with the unbalanced way in which your report, 'The Powers of HMRC: Treating Taxpayers Fairly', portrayed my decision to decline your prior invitation to address the Sub-Committee. As you know, I gave very clear reasons as to why my attendance at your Sub-Committee would not be appropriate; not least due to the fact that, as your report itself recognises, the Finance Bill is properly the principal preserve of the House of Commons, that for this reason no Treasury minister has appeared before the Finance Bill Sub-Committee since its creation in 2002, that HMRC is a non-ministerial department, that I would of course provide a full written response to your report, and that I provided for the appearance of senior HMT and HMRC officials. These points were set out in my letters to you of 25 October and 6 November, the only reference to which was a small print footnote to your report with a website address which provided a link to the first of these letters. For those

receiving a hard copy of the report, access to the letter requires the typing of an 85 character website link.

I regret that I am unable to give evidence to the Committee myself on 15 January but I am confident, as I have stated previously, that senior officials from HMT and HMRC will be able to address your concerns in detail.

A handwritten signature in blue ink, appearing to read 'Mel Stride', is positioned above the printed name.

RT HON MEL STRIDE MP