

March 2020



# NEWSLETTER



*Stephen Banyard*

## News from TaxAid & Tax Help for Older People

Welcome! This Newsletter covers the huge strides our two charities have made this year and looks forward to our exciting plans to build on this.

Valerie Boggs became our joint CEO on the retirement of Gary Millner last November. Valerie qualified first as a Chartered Accountant and then Chartered Tax Adviser at Andersens and ran her own tax practice for ten years before first joining TaxAid as a helpline adviser and then becoming Advice Director to both charities. Valerie is our first professionally trained CEO for many years.

Many more people need our services than we can support and we want to meet this demand. The charities have made great progress implementing systems which will utilise the volunteering potential of young people in the profession in a cost-effective way. We are just about to launch the new Corporate Volunteering scheme. The new scheme will unlock potential for our volunteers and their employers and enable us to help a lot more people in the coming years.

We have also experimented extending our outreach through tax clinics in a charity for homeless people and a joint venture with two universities in Lancaster to service people in North Lancashire.

On fundraising, the Bridge the Gap Campaign had raised £215,000 by the end of February and our target of £250,000 was within our reach until we had to make the decision to cancel the Gala Dinner. We are looking forward to rescheduling it in the autumn. Regrettably this will leave us short of our target for this year but we hope to catch up with your help very soon.

Many thanks to all of you who helped in the last year - it enabled us to make a huge difference to thousands of vulnerable people.

Stephen Banyard

*Chair of TaxAid Trustees*





Valerie Boggs

## A world where every vulnerable person gets the tax help they need

As the new Chief Executive of TaxAid and Tax Help for Older People, I would like to thank you for your support. So many of you have given your money, time and voice to promote our services and help vulnerable people facing tax problems. We could not have helped so many people without you.

TaxAid and Tax Help for Older People directly support and advocate for vulnerable workers and pensioners who do not have the educational or financial capital to manage their tax affairs. We are working towards a world where every vulnerable person gets the tax help they need. Our service empowers and encourages people to help themselves through our Helpline and information. More complex problems are addressed through our one-to-one clinics. We also work with other advice networks and specialist charities to signpost to our service, while developing their tax knowledge through training and information.

We have expanded our reach through our wonderful volunteers who have brought their expertise and years of professional training to transform the lives of thousands of vulnerable and impoverished people. Many financial inclusion organisations can help manage debt, our staff and volunteers uniquely can reduce tax debt or have it completely remitted. This is an immediate way to transform the lives and prospects of thousands of people living in poverty.

In 2020 our focus is to ensure that all those who need help with their tax problem can access it and to this end we have several new initiatives. In addition to the corporate volunteering programme which provides capacity to reach more of those who need our help, we will be developing a digital tax empowerment programme to help our beneficiaries engage with HMRC's digital tax plans. We will work to develop the service with some of our specialist partners who are embedded in the community. This grassroots approach will ensure we are reaching those who most need our help, communicating with marginalised people in accessible and welcoming ways.

To increase our capacity to answer calls, we are also developing an enhanced Helpline model to support more vulnerable people facing tax problems across the country while working more effectively and efficiently. We will be sharing more details with you later in the year.

In order to achieve our plans for 2020, the senior management team, which supports both charities, has been joined by Alice Devitt as Fundraising Director. Alice's support for the Bridge the Gap campaign as well as her development of relationships with third sector partners will help provide us with the financial resources needed to meet our aspirations as well as build our profile in the third sector, ensuring that all those who need our help can access it.

We are very excited about our plans to reach out to thousands more people who need our help. Please get in touch if you would like to hear more on: [valerie@taxaid.org.uk](mailto:valerie@taxaid.org.uk)

## Tax issues faced by vulnerable people

In the year ended 31/03/19 your support enabled the tax charities to help over 17,000 people. Our volunteers supported us by meeting our clients at appointments. Tax Help volunteers undertook 2,500 appointments and TaxAid volunteers 700 appointments assisted by our first corporate volunteers.

The range of problems that we provided help with are shown below:

Tax Issues Year ended 31/03/2019		
	Tax Help	TaxAid
PAYE calculations checking, correcting and payment advice	19%	20%
PAYE code checks and amendments	6%	3%
Self Assessment completion, calculations	22%	39%
Penalties/surcharges	0%	10%
Tax debt - only	0%	9%
Allowances, Marriage Allowance, Married Couple's Allowance & Blind Person's Allowance	14%	0%
Personal Tax Account (PTA) & digital	1%	0%
Other-tax at bereavement, retirement, property income, CGT and IHT, going into care	12%	9%
Foreign income	9%	1%
Savings & investments	6%	0%
Flex pension	10%	0%
VAT	0%	1%
Corporation Tax	0%	1%
Enquiry	0%	3%
Failure to notify	0%	4%
	100%	100%

The trend at Tax Help for Older People has been a drop off in the obligation to prepare tax returns, but this has been replaced for some by payment through simple assessment, and the new process has caused new problems. In addition, our callers have been receiving letters from HMRC about foreign income sources, as a consequence of the sharing of information through the OECD agreement. This has caused a great deal of distress for older people and a significant challenge for our volunteers as they provide the appropriate support. We continue to try to secure a more proportionate response from HMRC in respect of the penalty levels.

At TaxAid, the most significant new issue has been the contractor loan charge. Along with LITRG we have contributed significantly to HMRC's guidance and support for people in difficult personal circumstances and have provided direct support for those in most distress and financial difficulty.

Regardless of the tax issue, financial difficulty is a common problem for our beneficiaries. On average, the amount of tax remitted by HMRC among those with issues dealt with by Tax Help for Older People amounted to £1,600 and currently the average tax debt among those supported by TaxAid amounts to £5,800. Our intervention results in this being reduced on average by 80%, to £1,200.

Your continued support enables the tax charities to provide help for people with tax problems and enables our tax advisers to relieve the stress and anxiety caused by tax debt.

Valerie Boggs

*Chief Executive TaxAid and Tax Help for Older People*



## Events coming up....

We look forward to updating you on the different ways our supporters are helping us transform the lives of our beneficiaries over the year. Here are some of the events you can support now.

### Coronavirus

We are rescheduling the Tax Profession Gala Dinner for later in the year when we can assure the safety of our supporters. If you would like to register your interest in attending the dinner please contact: Rose Over on: [rose.over@taxvol.org.uk](mailto:rose.over@taxvol.org.uk). We are including details of Alan MacLean's marathon (his interview is on page 5), the London Legal Walk and our Kilimanjaro climb in the hope that the situation will have improved. We will keep you posted.



### London Legal Walk

The London Legal Walk returns this year and is currently planned for the autumn. Please join us for one of the highlights of our fundraising calendar. The 10km evening walk from the Law Courts to the Serpentine and back, or along the river, is one of the most charming ways to raise funds to support our work with vulnerable people's tax and pension problems. If you would like to join us on the walk please contact Rose Over at [bridgethegap@taxvol.org.uk](mailto:bridgethegap@taxvol.org.uk)

If you are unable to walk with us but would like to support our work please donate at:

<https://uk.virginmoneygiving.com/fundraiser-display/showROFundraiserPage?userUrl=BridgetheGap20&pageUrl=5>

### Kilimanjaro

President of the Chartered Institute of Taxation, Glyn Fullelove, has joined the team that is literally climbing mountains for us. Glyn is accompanied by other tax professionals including Tina Riches, a retired Smith & Williamson Tax Partner. The team are climbing Kilimanjaro for us to raise funds to help continue our work with vulnerable tax payers. Tina also volunteers for us and liaises with HMRC on tax developments and digital issues. We are incredibly grateful to Glyn and the rest of the team and we look forward to hearing from them when they climb between in September this year. If you would like to support our Kilimanjaro team please donate at: <https://uk.virginmoneygiving.com/fund/Tax2020>



## Three minute interview

This is the first of our extra-short interviews with some of our amazing supporters.

Alan McLean is Executive Vice President Tax and Corporate Structure for Royal Dutch Shell plc, a role which he took up in July 2008. In this role he is responsible for managing the tax affairs of Shell companies around the world, and for leading the global tax function. He has worked for the Shell group in a variety of tax advisory and management positions across all of its major businesses since 1992. In those roles he has focussed primarily on matters of international direct tax, strategy, and dispute resolution. Prior to joining Shell, Alan worked with Coopers & Lybrand in London as a Tax Adviser. Alan is going to be running the London 2020 Marathon (now moved to October) to raise funds for Bridge the Gap.



Alan McLean

### **Could you tell us a little about yourself?**

Originally from Scotland, now working in the Netherlands as Head of Tax for Shell.

### **Why are you running the 2020 London Marathon? Have you run Marathons before? How did you start?**

I have run a few marathons in the past, having originally been encouraged to join a team 10k challenge some years ago. I am running in 2020 for Bridge the Gap.

### **Why are you supporting TaxAid and Tax Help for Older People?**

I have been supporting the charities ever since I first came into contact with them and the essential work they do.

### **What do you like best about running marathons?**

Finishing (and the support from the crowd along the way - it is very humbling).

### **What's the worst part?**

The long training sessions, especially in the cold and dark of winter.

### **Do you have any tips for anyone else considering running a marathon for us?**

It is good to have a plan for the training, and there are many to choose from, but it is also important to listen to your body and adapt. First advice I ever got was 'get the miles in those legs'!

### **What will you do first, after you have finished running?**

Smile and celebrate with all the other runners - it is a great feeling.

If you would like to sponsor Alan, please contact Rose Over at [rose.over@taxvol.org.uk](mailto:rose.over@taxvol.org.uk).



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