



HM Treasury



HM Revenue
& Customs

Legislative reform of the Terminal Markets Order: **Consultation**

July 2023

Legislative reform of the Terminal Markets Order: **Consultation**



© Crown copyright 2023

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at: www.gov.uk/official-documents.

Any enquiries regarding this publication should be sent to us at public.enquiries@hmtreasury.gov.uk

ISBN: 978-1-916693-34-0 PU: 3352

Contents

Chapter 1	Introduction	8
Chapter 2	Reforming the Terminal Markets Order	11
Chapter 3	Consultation Questions	17
Chapter 4	Consultation Process	19
Annex A	Current relevant Legislation	20
Annex B	Data Protection Notice	25

Chapter 1

Introduction

1.1 As part of the Spring 2023 Tax Administration and Maintenance Day, the Government announced its intention to update the Terminal Markets Order (TMO) legislation (Section 50 of the Value Added Tax Act and SI 1927/173) (see Annex A). This includes legislating for the inclusion of UK Emissions Trading Scheme (UK ETS) allowances.

1.2 This consultation sets out how the Government proposes to modernise the legislation that underpins the VAT treatment of transactions that are in scope of the TMO (see Annex A), whilst maintaining the overall policy approach.

Background to the VAT treatment of Terminal Markets

1.3 The TMO came into force in 1973. It provides a VAT zero rate for certain wholesale commodity transactions made by members on named commodity exchanges or market associations. These markets are listed by name in Article 2(1) of the TMO legislation and are defined as “terminal markets”.

1.4 The TMO is a revenue neutral tax simplification measure for these markets which involve high volumes of transactions, conducted over short periods of time. The end result is the same as if all of the trades were taxable under normal VAT rules (since the VAT paid would be reclaimed by another business). The zero rating ensures liquidity in the market and avoids the administrative and cash flow burdens of accounting for VAT on each and every transaction. Therefore, the TMO is not a cost to the Exchequer.

1.5 The TMO applies to wholesale commodity contracts commonly referred to as futures, forwards, options and spots. These contracts are typically entered into as a way to hedge against the risks of ever-fluctuating commodity prices. For example, a commodity producer can lock in today’s price for produce it will supply in the future.

1.6 The TMO was introduced at a time when most trading took place on a trading floor or by phone, and access was greatly restricted. Over the years, trading practices have evolved, and trading is now largely conducted online and happens using sophisticated IT software. This has resulted in markets expanding their members and, in some cases, creating different levels of membership. However, the TMO only applies when certain conditions are met.

1.7 The commodities traded under the TMO originally included precious metals and agricultural goods. This was later expanded to cover energy products (e.g. oil, electricity, and gas), and certain carbon emissions trading.

1.8 The Government has amended the TMO legislation at various points to account for these changes, through changes to secondary legislation and a series of extra statutory concessions (ESCs). These changes include the formation of a new metals market, name changes for the gold and silver bullion markets, the merger of agricultural and energy markets and the introduction of emissions trading schemes.

1.9 While the UK was a member of the European Union (EU), the TMO did not keep pace with the changing commodity market. Following EU exit, the Government is taking the opportunity to reform the TMO, by updating the legislation to provide greater clarity and certainty in relation to the VAT treatment of commodity transactions traded on commodity exchanges or market associations.

Scope of this consultation

1.10 This consultation seeks views on the Government's proposals to reform the legislation that underpins the TMO. In making these changes, the Government intends to:

- Preserve the existing benefits of the TMO, including ensuring market liquidity, reducing administrative burdens and reducing scope for VAT fraud;
- Update and modernise the legislation, so that it reflects and supports the markets as they operate today;
- Move to a principle-based approach by introducing specific criteria which provide greater certainty over the VAT treatment of commodity transactions traded on commodity exchanges or market associations; and
- Respond more quickly and flexibly to developments in the market, without requiring frequent and time-consuming updating via legislation as new markets emerge

1.11 The Government does not intend to make fundamental changes to the current TMO policy; or extend the current scope of the TMO. However, the Government may make changes to reflect modern market practices, and to make it simpler to update the TMO in the future.

1.12 Following consideration of responses to this consultation, the Government will publish a formal response, including next steps.

Responding to this consultation

1.13 The Government welcomes contributions from any individual or organisation interested in the VAT TMO. This includes, but is not limited to, commodity markets, intermediaries, indirect tax advisors, sector representative bodies and UK and international investors who participate in the commodity market.

1.14 This consultation will run for eight weeks. The start date of the consultation is 18 July 2023, and it will close on 12 September 2023. Responses should be submitted electronically to

reformvatterterminalmarketsorder@hmrc.gov.uk before the closing date. The Government is not able to consider responses submitted in any other way.

- 1.15 This is a joint consultation between His Majesty's Revenue and Customs (HMRC) and His Majesty's Treasury (HM Treasury). The lead official for HM Treasury is Rachel Stirrat, and the lead official for HMRC is Kerrie Croke. Both can be contacted via the email address above.

Work to Date

- 1.16 The TMO was introduced in 1973. Governments have since amended that instrument to include more markets and commodities. Some markets and commodities also receive TMO treatment under ESCs.
- 1.17 On 5 July 2021, the Government announced in a Written Ministerial Statement that the VAT zero rate provided by the TMO will apply to trades in UK Emissions Trading Scheme (UK ETS) allowances.

Previous engagement

- 1.18 Following this year's Tax Administration and Maintenance Day announcement, HMT and HMRC lead officials have engaged with key sector stakeholders and their advisors to help inform this consultation.

Chapter 2

Reforming the Terminal Markets Order

2.1 It is complex and inefficient to update the TMO through secondary legislation each time new relevant markets form or the nature of the traded commodities evolves. It is unsatisfactory to rely on ESCs to provide temporary cover pending legislative amendment, as it does not provide an appropriate level of legal certainty. The TMO needs to be sufficiently flexible to accommodate market changes and the timelines for amending its scope needs to be responsive to accommodate changes as they arise to enable the proper functioning of the market.

2.2 The Government believes that it would be preferable to have clearer principles underpinning the application of the TMO zero rate. This would ensure that the law keeps pace with market developments and that products do not inadvertently fall outside the relief provided by the TMO.

2.3 As part of this review, the Government seeks to maintain the existing TMO policy, while providing for a more sustainable and responsive TMO legislative framework. This legislative reform should bring greater certainty to stakeholders and ensure that the zero rate will continue to apply, where appropriate, as markets evolve. It will also help to ensure that the UK commodities market remains competitive in the global landscape.

2.4 Ongoing dialogue with industry has helped to identify areas where it may be beneficial to make changes to further clarify and/or reform certain aspects of the TMO.

2.5 The Government would like to explore these areas to ensure that the UK's tax code keeps pace with the evolving nature of the commodity markets and contributes to maintaining the UK's position as a leading centre for this sector.

2.6 The Government seeks to move away from list-based legislation and adopt a principle-based approach and invites views on the following six areas in which the TMO operates by:

- Defining a recognised TMO commodity exchange or a recognised market association;
- Defining a member of the market;
- Defining qualifying transactions that fall under the scope of the TMO;
- Specifying commodities traded on terminal markets;

- TMO and Investment Gold (Articles 4 -7 of SI 1973/173); and
- Future changes to the TMO.

Defining a recognised TMO commodity exchange or a recognised market association

2.7 Currently, the TMO lists the exchanges and market associations to which it applies in legislation. This list can only be changed via secondary legislation.

2.8 To meet the aim of making the TMO legislation more flexible and adaptable to future market changes, the Government is proposing to move away from maintaining a list of named exchanges and market associations to a more principle-based approach. This means that exchanges and market associations in scope of the TMO would be determined by reference to specific criteria.

2.9 Currently, a commodity exchange or market association needs to meet certain minimum criteria to be included under the scope of the TMO. These are:

- Accounting for VAT in the usual way would hinder the effective operation of the market by making administering and accounting for VAT impracticable due to the large volume and high frequency of transactions;
- Transactions are futures, forwards, options or spots, or certain transactions between members of the commodity exchange or market association, subject to specified conditions currently expressed in Article 3(2)(b). See Annex A;
- Commodity contracts must be actioned by a member under an agreement with the commodity exchange or market association;
- The commodities should be traded on the commodity exchange or market association in specified quantities and standards;
- The commodity contract is capable of physical delivery (i.e. the contract expressly provides for physical delivery of the underlying commodity. In the case of, emissions contracts this means where there is transfer of title of the allowance within the emissions trading registry); and
- The commodity contract would otherwise be taxable under the normal VAT rules, and therefore the effect of applying the TMO zero rate will be revenue neutral.

2.10 The Government intends to define a recognised TMO commodity exchange or a recognised market association based on these criteria.

2.11 Alternatively, the Government could maintain a list of exchanges and market associations in scope of the TMO in a VAT Notice based on suggested criteria, which would have the force of law. However, to maintain an up-to-date list might be challenging because markets frequently rename, re-structure or merge.

2.12 In either case, it would be the responsibility of the commodity exchange or market association to inform the Government of any changes to the ownership, operation or regulation of the exchange or market association.

Questions

- 1 What are your views on removing the list of named markets which are in the current TMO legislation and replacing it with a definition of a recognised TMO commodity exchange or a recognised market association based on the suggested criteria?
- 2 Are there any other criteria that could be used to define a recognised commodity exchange or a recognised market association for the purpose of the TMO?
- 3 What are your views on the alternative approach, where the Government would maintain a list of exchanges/market associations in a VAT Notice?

Defining a member of the market

- 2.13 The TMO defines a member of a market as including any person ordinarily engaged in dealings on the market. That definition was derived at a time when dealings on the market were conducted on a controlled trading floor or by phone.
- 2.14 The membership of exchanges and market associations to which the TMO applies have changed substantially since the TMO was first introduced and trading is largely now online. This should not alter the principles on which the TMO is based.
- 2.15 The first principle is that only trades between members of the market or between members and non-members that do not go to actual physical delivery, are covered by the TMO.
- 2.16 The second principle is the right to trade on the market, which underpins the definition of 'member' for TMO purposes. Each market typically has different levels of membership, but only certain members are entitled to trade 'on the market' itself. This is determined by the rules set down by the relevant exchange or market association.
- 2.17 The Government recognises categories of members ordinarily engaged in dealing on the market as stated in guidance on commodities and terminal markets (VAT Notice 701/9).
- 2.18 The current definition of member for the purposes of the TMO does have the potential to be confused with the various categories of membership of the markets. To address this the Government proposes to define 'persons ordinarily engaged with dealings on the market'.

- 2.19 Alternatively, the Government could maintain a list of member classes within a VAT Notice that would have the force of law, similar to current guidance. Such a list would only include the members that the Government recognises as dealing on the market.

Questions

- 4 Do you agree that it would be helpful to define ‘persons ordinarily engaged with dealings on the market’?
- 5 Do you agree with the principles set out at paragraphs 2.15 and 2.16? If not are there any additional or different principles which the Government should consider?
- 6 What are your views on the alternative approach, where the Government would maintain a list of member classes entitled to trade under the TMO in a VAT Notice that would have the force of law?

Defining qualifying transactions that fall under the scope of the TMO

- 2.20 The current legislation does not specify the types of contracts currently used by commodity exchanges and market associations. This can cause confusion as to which commodities the TMO applies to and to what extent.
- 2.21 The Government proposes adopting a principle-based approach by defining the transactions which will qualify for the zero rate. The definition is likely to include the following criteria, all of which must be met for a transaction to fall within the TMO:
- Futures, forwards, options and spot contracts, which are exercisable at a date later than that on which it is granted;
 - A wholesale trade between businesses;
 - Expressly provide for the physical delivery of the underlying commodity, (or provide for an option on such a contract);
 - Transactions traded on a recognised commodity exchange or recognised market association; and
 - The transaction is effected by a member of the market who is entitled to trade under the TMO.
- 2.22 The Government does not intend to include transactions that are exclusively cash settled, where the purchaser is required to pay the difference in price between two opposing transactions.

Questions

- 7 What are your views on the proposal to define the qualifying transactions that would fall under the scope of the TMO?

- 8 What are your thoughts on the proposed criteria that could be used as a basis for the definition of the qualifying transactions that would fall under the scope of the TMO?
- 9 Do you think any other criteria should be included in such a definition?

Specifying the commodities traded on terminal markets

- 2.23 Currently, the TMO legislation lists the commodity exchanges and market associations to which the TMO applies. These named terminal markets typically had included the name of the commodity being traded. However, through mergers, most of these markets no longer exist, or now trade under a different name.
- 2.24 This review does not intend to change the TMO policy. As such, the Government intends to maintain the current commodities traded in scope of the TMO only and to specify them within the legislative framework.
- 2.25 The commodities that are currently traded under the TMO are:
- Precious metals, including gold, silver, platinum and palladium;
 - Agricultural goods, including cocoa, coffee, and sugar;
 - Energy products, including crude oil, electricity, and natural gas;
 - Mandatory compliance carbon emission allowances (i.e. UK ETSs).
- 2.26 These commodities were identified as suitable to fall under the TMO, as the trades:
- Would be taxable supplies if made under the normal operation of VAT law;
 - Meet specific standards that are recognised internationally; and
 - Are in sufficiently high value and volumes to warrant simplification and/or to prevent VAT fraud.
- 2.27 The Government proposes that these principles would also be set out in the legal framework to form the basis by which the Government could decide to include other commodity trades under the scope of the TMO.

Questions

- 10 Do you foresee any issues with the intention to specify commodities within the legislative framework of the TMO?
- 11 Do you agree with the principles that commodities should meet for the purposes of the TMO and that they are sufficient to prevent VAT fraud?

TMO and investment gold (Articles 4 -7 SI 1973/173)

- 1.1 The legislative provisions concerning investment gold are set out under Group 15 of Schedule 9 to The Value Added Tax Act 1994 and Articles 4 to 7 of SI 1973/173 (see Annex A).
- 1.2 The Government does not propose to make any changes to these provisions under this review, as we do not believe wholesale gold trading has fundamentally changed since this legislation was introduced in 2000.

Questions

- 12 Do you agree that Articles 4 to 7 of the TMO do not need to be revised? If you do not agree, please explain what changes may be required and why.

Future changes to the TMO

- 1.3 The Government intends to amend legislation to allow the TMO to be structured more flexibly, enabling swifter amendments to the scope of the TMO to reflect normal changes in the commodity exchanges and market associations. These changes include mergers, name changes, products traded, and method of trading, for example, futures trading now mainly takes place on an electronic platform.
- 1.4 It would be helpful to know if the industry is planning any upcoming changes to the operation of their commodity exchanges and market associations. This is so that the Government can take these into account while updating the TMO legislation.

Questions

- 13 Do you think the proposed principle-based approach meets the objective of flexible legislation to incorporate future changes?
- 14 Do you think there is an alternative method to make these changes?
- 15 Does your business have any plans to change or consult on the operation of your commodity exchange or market association in the future? If so, can you provide an outline of these changes?

Chapter 3

Consultation Questions

Defining a recognised TMO commodity exchange or a recognised market association:

- 1 What are your views on removing the list of named markets which are in the current TMO legislation and replacing it with a definition of a recognised TMO commodity exchange or a recognised market association based on the suggested criteria?
- 2 Are there any other criteria that could be used to define a recognised commodity exchange or a recognised market association for the purpose of the TMO?
- 3 What are your views on the alternative approach, where the Government would maintain a list of exchanges/market associations in a VAT notice?

Defining a member of the market:

- 4 Do you agree that it would be helpful to define 'persons ordinarily engaged with dealings on the market'?
- 5 Do you agree with the principles set out at paragraphs 2.15 and 2.16? If not are there any additional or different principles which the Government should consider?
- 6 What are your views on the alternative approach, where the Government would maintain a list of member classes entitled to trade under the TMO in a VAT Notice that would have the force of law?

Defining qualifying transactions that fall under the scope of the TMO

- 7 What are your views on the proposal to define the qualifying transactions that would fall under the scope of the TMO?
- 8 What are your thoughts on the proposed criteria that could be used as a basis for the definition of the qualifying transactions that would fall under the scope of the TMO?
- 9 Do you think any other criteria should be included in such a definition?

Specifying the commodities traded on terminal markets

- 10 Do you foresee any issues with the intention to specify commodities within the legislative framework of the TMO?
- 11 Do you agree with the principles that commodities should meet for the purposes of the TMO and that they are sufficient to prevent VAT fraud?

TMO and investment gold (Articles 4-7 of SI 1973/173)

- 12 Do you agree that Articles 4-7 of the TMO do not need revising? If you do not agree, please explain what changes may be required and why.

Future changes to the TMO

- 13 Do you think the proposed principle-based approach meets the objective of flexible legislation to incorporate future changes?
- 14 Do you think there is an alternative method to make these changes?
- 15 Does your business have any plans to change or consult on the operation of your commodity exchange or market association in the future? If so, can you provide an outline of these changes.

Chapter 4

Consultation Process

- 4.1 This consultation is being conducted in line with the Tax Consultation Framework. There are 5 stages to tax policy development:
- Stage 1 Setting out objectives and identifying options;
 - Stage 2 Determining the best option and developing a framework for implementation including detailed policy design;
 - Stage 3 Drafting legislation to effect the proposed change;
 - Stage 4 Implementing and monitoring the change;
 - Stage 5 Reviewing and evaluating the change.
- 4.2 This consultation is taking place during stage 1 of the process and will be used to inform stage 2. The purpose of the consultation is to seek views on the policy design and any suitable possible alternatives, before consulting later on a specific proposal for reform.

How to respond

- 4.3 A summary of the questions in this consultation is included at chapter 3.
- 4.4 Responses should be received by 12 September 2023, by e-mail to reformvatterterminalmarketsorder@hmrc.gov.uk
- 4.5 Please do not send consultation responses to the Consultation Coordinator or lead officials.

Annex A

Current relevant Legislation

Terminal markets

Section 50 Value Added Tax Act 1994

50 (1) The Treasury may by order make provision for modifying the provisions of this Act in their application to dealings on terminal markets and such persons ordinarily engaged in such dealings as may be specified in the order, subject to such conditions as may be so specified.

50 (2) Without prejudice to the generality of subsection (1) above, an order under this section may include provision—

(a) for zero-rating the supply of any goods or services or for treating the supply of any goods or services as exempt;

(b) for the registration under this Act of any body of persons representing persons ordinarily engaged in dealing on a terminal market and for disregarding such dealings by persons so represented in determining liability to be registered under this Act, and for disregarding such dealings between persons so represented for all the purposes of this Act;

(c) for refunding, to such persons as may be specified by or under the order, input tax attributable to such dealings on a terminal market as may be so specified and may contain such incidental and supplementary provisions as appear to the Treasury to be necessary or expedient.

50 (3) An order under this section may make different provision with respect to different terminal markets and with respect to different commodities.

The Value Added Tax (Terminal Markets Order) SI 1973/173

The Treasury, in exercise of the powers conferred on them by section 26 of the Finance Act 1972 hereby make the following Order:

1 This Order may be cited as the Value Added Tax (Terminal Markets) Order 1973 and shall come into operation on 1st April 1973.

2(1) The Interpretation Act 1889 shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

2(2) This Order applies to the following terminal markets—

- the London Metal Exchange,
- the London Rubber Market,
- the London Cocoa Terminal Market,
- the London Coffee Terminal Market,
- the London Sugar Terminal Market,
- the London Vegetable Oil Terminal Market,
- the London Wool Terminal Market,
- the London Bullion Market,
- the London Meat Futures Market,
- the London Grain Futures Market,
- the London Soya Bean Meal Futures Market,
- the Liverpool Barley Futures Market,
- the International Petroleum Exchange of London,
- the London Potato Futures Market,
- the London Platinum and Palladium Market, and
- the London Securities and Derivatives Exchange Limited (OMLX).

2(3) References in this Order to a member of a market include any person ordinarily engaged in dealings on the market.

2(4) Notwithstanding paragraph 3 above, for the purposes of this Order a person is to be regarded as being a member of the London Bullion Market only if that person is a member of the London Bullion Market Association.

2(5) In this Order

- “investment gold” has the same meaning as that expression has for the purposes of Group 15 of Schedule 9 to the Value Added Tax Act 1994;
- “the Act” means the Value Added Tax Act 1994 .

3(1) The following supplies of goods or services in the course of dealings on a terminal market to which this Order applies are hereby zero rated, subject to the conditions specified in this Article–

- (a) the sale by or to a member of the market of any goods, other than investment gold, ordinarily dealt with on the market,
- (b) the grant by or to a member of the market of a right to acquire such goods,

(c) where a sale of goods or the grant of a right zero-rated under sub-paragraph (a) or (b) above is made, or where a supply of a description falling within article 4 or 5 below is made, in dealings between members of the market acting as agents, the supply by those members to their principals of their services in so acting.

3(2) The zero-rating of a sale by virtue of paragraph (1)(a) above is subject to the condition that the sale is either–

(a) a sale which, as a result of other dealings on the market, does not lead to a delivery of the goods by the seller to the buyer, or

(b) a sale by and to a member of the market which–

(i) if the market is the London Metal Exchange, is a sale between members entitled to deal in the ring,

(ii) if the market is the London Cocoa Terminal Market, the London Coffee Terminal Market, the London Meat Futures Market, the International Petroleum Exchange of London, the London Potato Futures Market, the London Soya Bean Meal Futures Market, the London Sugar Terminal Market, the London Vegetable Oil Terminal Market or the London Wool Terminal Market, is a sale registered with the International Commodities Clearing House Limited,

(iii) if the market is the London Grain Futures Market, is a sale registered in the Clearing House of the Grain and Feed Trade Association Limited, and

(iv) if the market is the Liverpool Barley Futures Market, is a sale registered at the Clearing House of the Liverpool Corn Trade Association Limited.

3(3) The zero-rating of the grant of a right by virtue of paragraph (1)(b) above is subject to the condition that either–

(a) the right is exercisable at a date later than that on which it is granted, or

(b) any sale resulting from the exercise of the right would be a sale with respect to which the condition specified in paragraph (2) above is satisfied.

4 Supplies between taxable persons which but for Note 4(a) to Group 15 of Schedule 9 to the Act (exemption for investment gold) would have fallen within that Group are hereby zero-rated.

5 Subject to articles 6 and 7 below, section 55(1) to (4) of the Act (customers to account for tax on supplies of gold) shall apply to any supply between taxable persons which but for Note 4(b) to Group 15 of Schedule 9 to the Act would have fallen within that Group.

6 Subject to article 7 below, where a taxable person who is not a member of the London Bullion Market Association makes or receives a supply falling within the description in article 5 is liable to be registered

under Schedule 1 or under Part 8 of Schedule 9ZA to the Act solely by virtue of that supply or acquisition, paragraphs 5 to 8 of Schedule 1 or paragraph 40 of Schedule 9ZA to the Act (notification of liability and registration) shall not apply.

7 Notwithstanding section 55(2) of the Act, where articles 5 and 6 above apply, it shall be for the London Bullion Market Association member, on the non-member's behalf, to keep a record of the supplies and to pay to the Commissioners of Customs and Excise the net amount of VAT, and not for the person who is not a member.

Investment Gold

Group 15, Schedule 9 of the Value Added Tax 1994

Item No.

1 The supply of investment gold.

2 The grant, assignment or surrender of any right, interest, or claim in, over or to investment gold if the right, interest or claim is or confers a right to the transfer of the possession of investment gold.

3 The supply, by a person acting as agent for a disclosed principal, of services consisting of–

(a) the effecting of a supply falling within item 1 or 2 that is made by or to his principal, or

(b) attempting to effect a supply falling within item 1 or 2 that is intended to be made by or to his principal but is not in fact made.

Notes:

(1) For the purposes of this Group “investment gold” means–

(a) gold of a purity not less than 995 thousandths that is in the form of a bar, or a wafer, of a weight accepted by the bullion markets;

(b) a gold coin minted after 1800 that–

(i) is of a purity of not less than 900 thousandths,

(ii) is, or has been, legal tender in its country of origin, and

(iii) is of a description of coin that is normally sold at a price that does not exceed 180% of the open market value of the gold contained in the coin; or

(c) a gold coin of a description specified in a notice that has been published by the Commissioners for the purposes of this Group and has not been withdrawn.

(2) A notice under Note (1)(c) may provide that a description specified in the notice has effect only for the purposes of supplies made at times falling within a period specified in the notice.

- (3) Item 2 does not include–
- (a) the grant of an option, or
 - (b) the assignment or surrender of a right under an option at a time before the option is exercised.
- (4) This Group does not include a supply–
- (a) between members of the London Bullion Market Association, or
 - (b) by a member of that Association to a taxable person who is not a member or by such a person to a member.

Annex B

Data Protection Notice

B.1 HMRC is committed to protecting the privacy and security of your personal information. This privacy notice describes how we collect and use personal information about you in accordance with data protection law, including the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act (DPA) 2018.

B.2 Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes. These are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 2018, General Data Protection Regulation (GDPR) and the Environmental Information Regulations 2004.

B.3 If you want the information that you provide to be treated as confidential, please be aware that, under the Freedom of Information Act 2000, there is a statutory Code of Practice with which public authorities must comply and which deals with, amongst other things, obligations of confidence. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on HM Revenue and Customs.

Consultation Privacy notice

B.4 This notice sets out how we will use your personal data, and your rights. It is made under Articles 13 and/or 14 of the General Data Protection Regulation.

The Data

B.5 We will process the following personal data relating to respondents:

- Name
- Email address
- Postal address
- Phone number
- Job title

Purpose

B.6 The purpose for which we are processing your personal data is for consulting on the reform of the VAT Terminal Markets Order legislation. If you have any questions about how we will use your personal data for

this purpose, please contact
reformvatterterminalmarketsorder@hmrc.gov.uk

Legal basis of processing

B.7 The legal basis for processing your personal data is that the processing is necessary for the exercise of a function of a government department.

Recipients

B.8 Your personal data will be shared by HMRC with HM Treasury to enable policy development.

Retention

B.9 Your personal data will be kept by us for six years and will then be deleted.

Your Rights

B.10 You have the right to request information about how your personal data are processed, and to request a copy of that personal data.

B.11 You have the right to request that any inaccuracies in your personal data are rectified without delay.

B.12 You have the right to request that any incomplete personal data are completed, including by means of a supplementary statement.

B.13 You have the right to request that your personal data are erased if there is no longer a justification for them to be processed.

B.14 You have the right in certain circumstances (for example, where accuracy is contested) to request that the processing of your personal data is restricted.

Complaints

B.15 If you consider that your personal data has been misused or mishandled, you may make a complaint to the Information Commissioner, who is an independent regulator. The Information Commissioner can be contacted at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire, SK9 5AF
0303 123 1113
casework@ico.org.uk

Any complaint to the Information Commissioner is without prejudice to your right to seek redress through the courts.

Contact Details

B.16 The joint data controllers for your personal data are HM Revenue & Customs and HM Treasury, the contact details for which are:

HMRC
100 Parliament Street
Westminster
London SW1A 2BQ

HM Treasury
1 Horse Guards Road
London
SW1A 2HQ
020 7270 5000
public.enquiries@hmtreasury.gov.uk

B.17 The contact details for HMRC's Data Protection Officer are:

The Data Protection Officer
HM Revenue & Customs
14 Westfield Avenue
Stratford, London E20 1HZ
advice.dpa@hmrc.gov.uk

B.18 The contact details for HM Treasury's Data Protection Officer are:

The Data Protection Officer
Information Rights Unit
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ
privacy@hmtreasury.gov.uk

Consultation Principles

B.19 This call for evidence is being run in accordance with the Government's Consultation Principles.

B.20 The Consultation Principles are available on the Cabinet Office website: [Consultation Principles Guidance](#)

B.21 If you have any comments or complaints about the consultation process, please contact: [please contact the Consultation Coordinator](#).

B.22 Please do not send responses to the consultation to this link.

HM Treasury contacts

This document can be downloaded from www.gov.uk

If you require this information in an alternative format or have general enquiries about HM Treasury and its work, contact:

Correspondence Team
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

Tel: 020 7270 5000

Email: public.enquiries@hmtreasury.gov.uk