

## ERS Forum Action Point Log

Mtg Ref	Action Point	Progress	ERS Response	Next Action	Date Closed
<b>Meeting No. 9</b> <b>Date: 8 January 2015</b>					
3.4	Further comments on the design and content of the Employment-Related Shares & Securities Bulletin to be sent to shareschemes@hmrc.gsi.gov.uk	Ongoing	No further comments on style and format received. A draft for comment is circulated to the Approvals sub-group prior to publication.		2/02/2015
5.2	All members of the Forum to review the organisation and operation of the Forum and send their thoughts by email to HMRC Shareschemes@hmrc.gsi.gov.uk	Ongoing	All thoughts welcome	No comments have been received. It was agreed that comments were welcome at any time on this point.	
7.1	BIS to consider more specific points on Employee Shareholder status raised by ERS Forum members and provide responses to be circulated among the membership.	Ongoing	BIS undertook to consider the various points raised at the meeting and report back. They would also welcome further comments or questions.	Clarification has been supplied by BIS on questions raised by Forum members and this was included in the minutes of the Forum held on 23 September 2013. BIS have also updated the guidance to make clear that companies can use the concept of money's worth in relation to employee shareholder status.	2/02/2015
7.2	HMRC to check the Employee Shareholder tax guidance for consistency with BIS guidance.	Ongoing	The tax guidance is correct but to remove the discrepancy identified by the Forum member the guidance will be	HMRC to insert the Employee Shareholder tax guidance into the ERSM and remove	

## UNCLASSIFIED

Mtg Ref	Action Point	Progress	ERS Response	Next Action	Date Closed
			updated when it is written into the Employment Related Securities Manual (ERSM).	discrepancy with BIS guidance.	
7.3	HMRC to circulate FATCA subgroup minutes (as well as the general principles)	Ongoing	Circulated on the 18 November 2013.		18/11/2013
7.4	Attention was drawn to the effect of the current rules and the different tax outcome that arises from a same day or later disposal of the shares by internationally mobile employees. Forum members to gather evidence of scale of the issue and report back	Ongoing	No further information has been provided to date. However, a member of the Forum confirmed that they had some evidence which they will share with HMRC.		
8.1	FATCA subgroup to reconvene to consider draft guidance, once this has been completed.	Ongoing	This subgroup is no longer active.		2/02/2015
8.2	HMRC and HMT to consider the question whether the CGT exemption would apply where shares were exchanged for loan notes. HMRC/HMT agreed to take this point away and report back.		Reply was provided to ERS Forum members on 14 January 2014.		14/01/2014
8.3	HMT intends to set up a small working group to examine the draft legislation on employee ownership and how companies will use it in practice. Forum members to provide HMRC with expressions of interest in joining the HMT working group.	Ongoing	HMT issued an invitation on 10 January 2014 to ERS Forum members. First meeting held on 22 January 2014 and the second meeting will take place on 3 February 2014.		10/01/2014
8.4	HMRC to provide an update on RTI at a future Forum meeting.	Ongoing	This issue is no longer current.		2/02/2015
8.5	Forum members to suggest issues relating to trusts to be discussed at the next meeting.	Ongoing	No topic or issue raised.		2/02/2015

## UNCLASSIFIED

Mtg Ref	Action Point	Progress	ERS Response	Next Action	Date Closed
9.1	HMRC to provide contact details for the February testing service.	See ERS Response	People interested in taking part in the private beta testing should contact <a href="mailto:steven.gee@hmrc.gsi.gov.uk">steven.gee@hmrc.gsi.gov.uk</a>		02/02/2015
9.2	HMRC to contact s455 CTA2010 policy team regarding a comment in the ESV Summary of Responses document about keeping some issues under review.	See ERS Response	<p data-bbox="1193 384 1599 577">As promised, following discussion of the impact of section 455 of the Corporation Tax Act 2010, we contacted the policy holders in HMRC. Their views are as follows.</p> <p data-bbox="1193 619 1599 1158">The policy rationale for section 455 applying to loans to some trusts is that it is a wide piece of legislation that is intended to apply to situations where value is passed from a close company to its participators via loans, even where that value passes indirectly, and both quite often occur in such cases. To identify and remove 'vanilla' transactions from the regime would be complex and could create avoidance opportunities that would undermine the regime.</p> <p data-bbox="1193 1200 1599 1458">This particular question has been put to ministers twice during 2014: both as part of the OTS's proposal for a new Employee Shareholding Vehicle and also as part of a consultation on broader reform of the loans to participators</p>		02/02/2015

## UNCLASSIFIED

Mtg Ref	Action Point	Progress	ERS Response	Next Action	Date Closed
			<p>regime, which eventually condensed to focussing on loans to EBTs, charities and partnerships. The points raised by stakeholders, including members of the ERS Forum, were considered in both consultations. However, in each instance the Government decided that an exemption was not justified.</p> <p>HMRC therefore do not consider that further discussion would be worthwhile at this stage.</p>		
9.3	HMRC to confirm the technical advice to ERS Forum members regarding ESOT	Ongoing	Issue has been referred for technical advice.		
9.4	HMRC to inform ERS Forum members when the tax guidance (on EOT legislation) is likely to be published.	Ongoing			
9.5	HMRC to consider whether PTVC can be given for EOT shares.	Ongoing			