ADMINISTRATIVE BURDENS ADVISORY BOARD

David Gauke MP Financial Secretary to the Treasury HM Treasury

19 March 2015

Dear David

ABAB - 2015 ANNUAL REPORT

I write as Chair of ABAB to submit the Board's Annual Report. This is our second such report since, in December 2012, you strengthened the remit of the Board. It reviews the last 12 months and looks ahead to outline ABAB's priorities for the year ahead.

The first page of our Report offers a summary of key points in terms of our overall assessment of HMRC's performance, our key activities in 2014-15 and our priorities for 2015-16. I hope this is helpful.

I should like also to take this opportunity to respond to yesterday's Budget announcement as reflected in HMRC's document 'Making tax, easier: the end of the tax return'. We applaud and endorse that bold ambition of a radically simpler and easier tax system for small businesses and individuals. We particularly welcome the goal of delivering much greater certainty to taxpayers – this is a huge prize. ABAB stands ready to work with HMRC in delivering this step change in tax administration for small businesses. We would further urge that the opportunities for complementary simplification of tax rules are also seized. If pulled together, these twin levers – digital modernisation of administration and bold simplification of tax rules – have the undoubted potential to deliver truly transformation change.

On behalf of my Board I would like to emphasise that we have particularly valued your personal engagement with the Board, throughout this Parliament, both when you have been able to join our meetings and when you have responded positively to issues we have raised with you. We hope that – whatever the outcome of the forthcoming Election - this very positive Ministerial engagement will continue.

As we saw last year, ABAB's Annual Report is of interest to a wider community, so I am again sharing a copy of this letter and our Report with the principal business and tax professional bodies, and with Lord Curry at the Better Regulation Executive (all of whom I continue to engage with regularly about the work of ABAB both to maintain awareness of what we do and to ensure that our agenda is informed by their concerns, etc). A copy of our Report will also be posted to ABAB's webpage.

Yours sincerely,