

Pensions for 1947 Redundancies: Repeal

Who is likely to be affected?

No one is expected to be affected by this measure; it would affect any land tax and income tax assessors made redundant in 1947.

General description of the measure

Section 62(2) and (3) of the Finance Act 1946 make provision for the payment of pensions to those made redundant following the closure, in 1947, of the offices for land tax and income tax assessors. These provisions are no longer required and are being repealed.

Policy objective

The repeal supports the Government's objective to simplify the tax system and is part of a package of measures which will repeal reliefs that are no longer necessary, have not achieved their policy rationale or are distortive.

Background to the measure

Following the Office of Tax Simplification review of reliefs, the Government announced at Budget 2011 that it would repeal seven reliefs in Finance Act 2011 and confirmed its intention to abolish a further 36 reliefs in Finance Bill 2012 and beyond, subject to a period of consultation.

Consultation on the abolition of 36 tax reliefs was published on 27 May 2011. The Government response was published on 6 December 2011. All documents are available on both the HM Treasury and HM Revenue & Customs (HMRC) websites.

The provisions were identified as being redundant during the course of consultation although no specific consultation was done for this repeal.

Detailed proposal

Operative date

The repeal will have effect from 6 April 2013.

Current law

The provisions relating to the pension arrangements for those who were made redundant as a result of the closure of the offices for land tax and income tax assessors are at section 62(2) and (3) of the Finance Act 1946.

Proposed revisions

Legislation will be introduced in Finance Bill 2012 to repeal the current legislation, as described above.

Summary of impacts

Exchequer impact (£m)	2011-12	2012-13	2013-14	2014-15	2015-16
	-	-	nil	nil	nil
	This measure is not expected to have an Exchequer impact.				
Economic impact	This change will have no economic impact as it relates to redundant legislation.				
Impact on individuals and households	This change will have no impact on individuals or households as it relates to redundant legislation.				
Equalities impacts	Potential impacts have been considered and no different impact has been identified on people with protected characteristics.				
Impact on business including civil society organisations	This change will have no impact on business as it relates to redundant legislation.				
Operational impact (£m) (HMRC or other)	This change will have no operational impact on HM Revenue & Customs.				
Other impacts	The potential for other impacts has been considered and none have been identified.				

Monitoring and evaluation

This change does not require monitoring or evaluation. It removes an unnecessary provision. Any correspondence received on the impact of the repeal will be dealt with on a case by case basis.

Further advice

If you have any questions about this change, please contact Jane Ewart on 020 7147 3794 (email: jane.ewart1@hmrc.gsi.gov.uk).

1 Tax assessors

- (1) Section 62(2) and (3) of FA 1946 (compensation for former land tax assessors and income tax assessors, etc) is repealed.
- (2) In consequence of the provision made by subsection (1), in Schedule 2 to the Pensions (Increase) Act 1971 (official pensions), in paragraph 34, omit “or section 62 of the Finance Act 1946”.
- (3) The amendments made by this section come into force on 6 April 2013.

EXPLANATORY NOTE

REPEAL OF PROVISIONS RELATING TO TAX ASSESSORS

SUMMARY

1. This clause repeals provisions that provide for compensation for former land tax assessors and income tax assessors.

DETAILS OF THE CLAUSE

2. Subsection 1 repeals section 62(2) and 62(3) of Finance Act 1946 which make provision for compensation to be paid to land tax assessors and income tax assessors made redundant as a result of the Act.
3. Subsection 2 makes consequential amendments and subsection 3 provides for the commencement of the repeal.

BACKGROUND NOTE

4. The Office of Tax Simplification was commissioned by the Chancellor to undertake a review of the reliefs and allowances available in the tax system. Following their review, the Government announced at Budget 2011 that it would repeal seven reliefs immediately and abolish a further 36 reliefs, subject to a period of consultation over the summer. The Government response to the consultation, published on 6 December 2011, confirmed the abolition of these reliefs. The provisions for compensation to be paid to land tax assessors and income tax assessors were identified as being redundant during the course of consultation although no specific consultation was done for this repeal.
5. If you have any questions about this change or comments on the legislation, please contact Jane Ewart on 020 7147 3794 (email: jane.ewart1@hmrc.gsi.gov.uk).