



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

**The Right Hon Michael Jack and Mr John Whiting  
Office of Tax Simplification  
HM Treasury, 1 Horse Guards Road  
London  
SW1A 2HQ**

17 September 2013

*Dear Michael and John*

**REVIEW OF EMPLOYEE BENEFITS AND EXPENSES – INTERIM  
REPORT**

I wanted to thank you and the Office for Tax Simplification (OTS) for all the hard work that has gone in to the recently published Review of Employee Benefits and Expenses: Interim Report.

The publication and your work have proved to be a significant step in improving our understanding of the complexity of the tax system with respect to benefits and expenses. The OTS is helping us to understand the needs of employers and employees in a changing commercial environment. It is important that the tax system responds to these changes so that it is fit for purpose and delivers an improved customer experience.



I support your approach to this work, and in particular the priority areas you have identified for further investigation. I am keen for you to explore ways in which HMRC administration and the rules on travel and subsistence could be improved, supporting thousands of small employers. I look forward to considering the recommendations that come out of the review when you publish your final reports later this financial year.

I am also very interested in your ideas for the “quick wins”. I welcome the work that you are doing to prioritise these with external experts, as well as your collaboration with HMRC to understand the practical and legislative actions necessary for implementation. I would welcome the opportunity to discuss these with you in more detail, with a view to providing an update on progress at the Autumn Statement.

Thank you again for your continuing contribution to this area. I am confident that the work you are doing will contribute to significant improvements in the tax system that will benefit businesses and employees.

*Yours ever*  
*David*

**David Gauke MP**