
83 Office of Tax Simplification

- (1) - There continues to be an Office of Tax Simplification (referred to in this Act as the “OTS”).
- (2) - The Schedule contains provision about the OTS.

84 Functions of the OTS: general

- (1) - The OTS must provide advice to the Chancellor of the Exchequer, on request or as the OTS considers appropriate, on the simplification of the tax system.
- (2) - For the purposes of this section and section 85—
 - (a) - “the tax system” means the law relating to, and the administration of, relevant taxes,
 - (b) - “relevant taxes” means taxes that the Commissioners for Her Majesty’s Revenue and Customs are responsible for collecting and managing, and
 - (c) - a reference to “taxes” includes a reference to duties and national insurance contributions.
- (3) - References in this section and section 85 (however expressed) to the simplification of the tax system include references to improving the efficiency of the administration of relevant taxes.

85 Functions of the OTS: reviews and reports

- (1) - At the request of the Chancellor of the Exchequer, the OTS must conduct a review of an aspect of the tax system for the purpose of identifying whether, and if so how, that aspect of the tax system could be simplified.
- (2) - The OTS must prepare a report—
 - (a) - setting out the results of the review, and
 - (b) - making such recommendations (if any) as the OTS consider appropriate.
- (3) - The OTS must send a copy of the report to the Chancellor of the Exchequer.
- (4) - The Chancellor of the Exchequer must—
 - (a) - publish the report, and
 - (b) - lay a copy of the report before Parliament.
- (5) - The Chancellor of the Exchequer must prepare and publish a response to the report.

86 Annual report

- (1) - The OTS must prepare a report of the performance of its functions in each financial year.
- (2) - The report relating to a financial year must be prepared as soon as reasonably practicable after the end of the financial year.
- (3) - The OTS must –
 - (a) - send a copy of the report to the Chancellor of the Exchequer, and
 - (b) - publish the report.
- (4) - The Chancellor of the Exchequer must lay a copy of the report before Parliament.
- (5) - For the purposes of this paragraph, each of the following is a “financial year” –
 - (a) - the period beginning with the day on which this section comes into force and ending with the following 31 March, and
 - (b) - each successive period of 12 months.

87 Review of the OTS

- (1) - The Treasury must, before the end of each review period, conduct a review of the effectiveness of the OTS in performing its functions.
- (2) - The “review period” means –
 - (a) - in relation to the first review, the period of 5 years beginning with the day on which this section comes into force, and
 - (b) - in relation to subsequent reviews, the period of 5 years beginning with the day on which the previous review was completed.
- (3) - The Treasury must prepare and publish a report of each review.

88 Commencement

Sections 83 to 87 and the Schedule come into force on such day as the Treasury may by regulations made by statutory instrument appoint.

SCHEDULE TO CLAUSE 83

OFFICE OF TAX SIMPLIFICATION

Membership

- 1 (1) -The OTS is to consist of not more than eight members.
- (2) -The members of the OTS must include –
 - (a) a chair,
 - (b) a tax director (see sub-paragraph (5)),
 - (c) a representative of Her Majesty's Revenue and Customs, and
 - (d) a representative of the Treasury.
- (3) -The additional members, if any, are to be nominated by the chair.
- (4) -The members of the OTS are to be appointed by the Chancellor of the Exchequer.
- (5) -A person may be appointed as a tax director of the OTS only if the Chancellor of the Exchequer is satisfied that the person has the necessary qualifications and experience to direct the manner in which the OTS discharges its functions.
- (6) -The Chancellor of the Exchequer must consult the chair of the OTS before appointing a person as a tax director (subject to paragraph 3(3)).

Term of office

- 2 (1) -A person holds and vacates office as a member of the OTS in accordance with the terms of the appointment, subject to the following provisions.
- (2) -A period of appointment may not exceed 5 years.
- (3) -A person who ceases to be a member of the OTS is eligible for re-appointment.

Appointment of initial members

- 3 (1) -Sub-paragraphs (2) and (3) apply where a person (P) appointed under paragraph 1(2)(a) or (b) was, immediately before the appointment, the chair or tax director (as the case may be) of the non-statutory Office of Tax Simplification.
- (2) -P's period of appointment is to be taken to have begun with the appointment of P as the chair or tax director (as the case may be) of the non-statutory Office of Tax Simplification.

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- (3) -The requirement in paragraph 1(6) does not apply where P was, immediately before P's appointment under paragraph 1(2)(b), the tax director of the non-statutory Office of Tax Simplification.

Termination of appointments

- 4 - A member of the OTS may at any time resign by giving written notice to the Chancellor of the Exchequer.
- 5 (1) -The Chancellor of the Exchequer may terminate the appointment of a member of the OTS by giving the member written notice.
- (2) -In the case of a member appointed for the purposes of paragraph 1(2)(a) or (b) or (3), the Chancellor of the Exchequer may only terminate the appointment if –
- (a) - the member has been absent from meetings of the OTS without the OTS's permission for a period of more than 3 months,
 - (b) - the member becomes bankrupt (see sub-paragraph (3)),
 - (c) - the member has failed to comply with the terms of the appointment, or
 - (d) - the member is, in the opinion of the Chancellor of the Exchequer, unable, unfit or unwilling to carry out the member's functions.
- (3) -A member becomes bankrupt if –
- (a) - in England and Wales or Northern Ireland, a bankruptcy order is made in relation to the member,
 - (b) - in Scotland, the member's estate is sequestrated.

Remuneration

- 6 - The Treasury may pay a member of the OTS such remuneration and allowances as the Treasury may determine.

Provision of staff and facilities etc.

- 7 - The Treasury may provide the OTS with such staff, accommodation, services and other facilities as appear to the Treasury to be necessary or expedient for the proper performance by the OTS of its functions.

Validity of proceedings

- 8 - The OTS may regulate its own procedure.
- 9 - The validity of anything done by the OTS is not affected by –
- (a) - any vacancy in the membership of the OTS, or
 - (b) - any defect in the appointment of a member of the OTS.

Supplementary powers

- 10 - The OTS may do anything that appears to it to be necessary or appropriate for the purpose of, or in connection with, the performance of its functions.

Finance

- 11 (1) -The Treasury may make to the OTS such payments out of money provided by Parliament as the Treasury considers appropriate for the purpose of enabling the Office to meet its expenses.
- (2) -Payments are to be made at such times, and subject to such conditions, as the Treasury may determine.

Disqualification

- 12 - In Part 2 of Schedule 1 to the House of Commons Disqualification Act 1975 (bodies of which all members are disqualified) insert at the appropriate place—
“The Office of Tax Simplification.”
- 13 - In Part 2 of Schedule 1 to the Northern Ireland Assembly Disqualification Act 1975 (bodies of which all members are disqualified) insert at the appropriate place—
“The Office of Tax Simplification.”

Freedom of information

- 14 In Part 6 of Schedule 1 to the Freedom of Information Act 2000 (public authorities to which the Act applies) insert at the appropriate place—
“The Office of Tax Simplification.”

Public sector equality duty

- 15 - In Part 1 of Schedule 19 to the Equality Act 2010 (authorities subject to the public sector equality duty) under the heading “Industry, business, finance etc.” insert at the appropriate place—
“The Office of Tax Simplification.”