

[REDACTED]

From: [REDACTED]
Sent: 13 September 2011 10:53
To: [REDACTED]@hmrc.gsi.gov.uk'
Cc: [REDACTED]@hmrc.gsi.gov.uk; [REDACTED]@hmrc.gsi.gov.uk
Subject: RE: Insurance query

[REDACTED]

Thanks very much indeed for looking into this and letting me know. I will pass on your email to Bob, our finance director, who had asked me for this explanation.

Kind regards,

[REDACTED]

From: [REDACTED]@hmrc.gsi.gov.uk [mailto:[REDACTED]@hmrc.gsi.gov.uk]
Sent: 13 September 2011 10:51
To: [REDACTED]
Cc: [REDACTED]@hmrc.gsi.gov.uk; [REDACTED]@hmrc.gsi.gov.uk
Subject: RE: Insurance query

[REDACTED]

Thanks for your email.

As I said in my previous email, we were unable to be specific enough about the sorts of expenses included under this miscellaneous category and so we did not consider it to be possible to include in a dispensation.

We also do not consider that these 3 types of insurance would qualify for tax relief under the general rule in S336 ITEPA 2003.

In addition, these debts are paid by IPSA on behalf of the member. This makes them pecuniary liabilities; such liabilities are personal by their very nature and so again they will not qualify under S336.

In conclusion, we do not consider that tax relief is due on these types of expense and so they are not appropriate to a dispensation. They should be taxed and so included on the P11ds.

Please let me know if you need any further assistance.

Regards,

[REDACTED]

[REDACTED]
Government Departments Team
Public Bodies Group
HM Revenue and Customs
Tel. 0207 [REDACTED]

From: [REDACTED] [mailto:[REDACTED]@parliamentarystandards.org.uk]
Sent: 06 September 2011 13:55
To: [REDACTED] (LocalCOMP I&PB Public Bodies)
Subject: RE: Insurance query

[REDACTED]

Thanks very much for checking on the reasons for this for me, and responding so quickly. I do remember our discussions about "miscellaneous" as an expense category, and that, understandably, HMRC couldn't provide dispensations where it was not possible to list all the specific expense types included under that heading.

However, I am not sure that this is the case with "Miscellaneous – insurance". Although this is listed under "miscellaneous" as it comes from outside the other budgets (i.e. accommodation, staffing etc), we can in fact be specific about all the types of insurance this category will include. As defined in the expense description and at 10.8 of the 3rd edition of the Scheme, it will cover:

1. Employer's liability insurance;
2. Public liability insurance; and
3. Travel insurance to cover specifically journeys which are necessary for parliamentary functions and are to the parliaments of Council of Europe member states or agencies and institutions of the EU (journeys under 9.2e of the Scheme).

Given we can define exactly what this category will include despite its heading as "miscellaneous", I wonder whether this should in fact be taxed. I'd be very grateful for your advice.

Thanks for your help.

Kind regards,



From: [REDACTED]@hmrc.gsi.gov.uk [mailto:[REDACTED]@hmrc.gsi.gov.uk]
Sent: 06 September 2011 13:36
To: [REDACTED]
Subject: Insurance query

[REDACTED]

As discussed I have looked back at the communications over "insurance" and how this should be taxed. Originally this arose out of discussion of the "Miscellaneous" category of expense paid by IPSA. We analysed everything being paid out under "misc" very carefully as we need to be sure of exactly the type of expense being paid in order to allow it in the dispensation. If categories are sufficiently general we were unable to allow them to be included, eg. "contingency" and "other". Within the entire "Miscellaneous" category obviously there was more room for uncertainty than anywhere else. As such we cannot allow a category called "Miscellaneous insurance" to be included in the dispensation.

I would remind you that under the general rule in S336, the expense must be incurred wholly, exclusively and necessarily in the performance of the parliamentary duties. This test can give different results than the test for IPSA's expense scheme.

I hope that this helps.

Regards,

[REDACTED]

[REDACTED]

Government Departments Team

Public Bodies Group

HM Revenue and Customs

Tel. 0207 [REDACTED]

The information in this e-mail and any attachments is confidential and may be subject to legal professional privilege. Unless you are the intended recipient or his/her representative you are not authorised to, and must not, read, copy, distribute, use or retain this message or any part of it. If you are not the intended recipient, please notify the sender immediately.

HM Revenue & Customs computer systems will be monitored and communications carried on them recorded, to secure the effective operation of the system and for lawful purposes.

The Commissioners for HM Revenue and Customs are not liable for any personal views of the sender.

This e-mail may have been intercepted and its information altered.

The original of this email was scanned for viruses by the Government Secure Intranet virus scanning service supplied by Cable&Wireless Worldwide in partnership with MessageLabs. (CCTM Certificate Number 2009/09/0052.) On leaving the GSi this email was certified virus free. Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

This email has been scanned by the MessageLabs Email Security System.

For more information please visit <http://www.messagelabs.com/email>

The contents of this email are private and confidential and intended for the named recipient(s) only. The use, disclosure, storage or copying of this email and its contents is not permitted without the written consent of IPSA. If you are not an intended recipient, please inform the sender by return email and delete all copies. No employee or agent of IPSA is authorised to conclude any binding agreement on IPSA's behalf with you by email. Any views expressed in this message are those of the author and do not necessarily represent those of IPSA. IPSA accepts no liability, including liability for negligence, in respect of any statement in this email.

IPSA reserves the right to monitor record and retain any incoming and outgoing emails for security reasons and for monitoring internal compliance with IPSA policy on email use. IPSA has taken steps to ensure this email and its attachments are virus free, however, you are advised that you open attachments at your own risk.

This email has been scanned by the MessageLabs Email Security System.
For more information please visit <http://www.messagelabs.com/email>

This email was received from the INTERNET and scanned by the Government Secure Intranet anti-virus service supplied by Cable&Wireless Worldwide in partnership with MessageLabs. (CCTM Certificate Number 2009/09/0052.) In case of problems, please call your organisation's IT Helpdesk.
Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

The information in this e-mail and any attachments is confidential and may be subject to legal professional privilege. Unless you are the intended recipient or his/her representative you are not authorised to, and must not, read, copy, distribute, use or retain this message or any part of it. If you are not the intended recipient, please notify the sender immediately.

HM Revenue & Customs computer systems will be monitored and communications carried on them recorded, to secure the effective operation of the system and for lawful purposes.

The Commissioners for HM Revenue and Customs are not liable for any personal views of the sender.

This e-mail may have been intercepted and its information altered.

The original of this email was scanned for viruses by the Government Secure Intranet virus scanning service supplied by Cable&Wireless Worldwide in partnership with MessageLabs. (CCTM Certificate Number 2009/09/0052.) On leaving the GSi this email was certified virus free.
Communications via the GSi may be automatically logged, monitored and/or recorded for legal purposes.

This email has been scanned by the MessageLabs Email Security System.
For more information please visit <http://www.messagelabs.com/email>
