



# HM TREASURY

1 Horse Guards Road London SW1A 2HQ

Information Rights Unit

Philip Taylor

Tel: 0207 270 4558

Fax: 0207 270 4861

Email: request-12654-9f4ee54c@whatdotheyknow.com

[www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk)  
[FOI.responses@hm-treasury.gsi.gov.uk](mailto:FOI.responses@hm-treasury.gsi.gov.uk)

Ref: 9/479  
Email/19875/2009

24 June 2009

Dear Mr Taylor

## **Freedom of Information Act 2000: Gradual removal of the personal allowance over £100,000**

Thank you for your enquiry, which we received on 30 May 2009.

You asked for information as follows –

*“The budget announcement that personal allowances for those earning over £100,000 will be restricted. The personal allowance will now be reduced at a rate of £1 for every £2 over £100,000 until completely withdrawn.*

*This replaces the two-stage withdrawal announced at the 2008 pre-Budget report.*

*I would like to see the Treasury impact assessment of the changes including any work done on the margin of risk around the figures and any effect on the behaviour of workers caused by an extremely high marginal rate of tax.”*

The Treasury did not produce an impact assessment of the changes. HM Revenue and Customs does produce impact assessments on tax initiatives where these result in significant changes to administrative or operational processes for groups affected; however, such assessments do not extend to a wider examination of the tax effect. Changes to personal tax such as the one to which you refer, are part of the standard annual updating of the income tax system, and do not generally involve an impact assessment. I confirm accordingly that HM Treasury does not hold information falling within the description of your request.

There is, however, information already available within the public domain, which summarises the Government's assessment of the cumulative behavioural impact of this measure and the 50p additional rate of tax, which was also announced at Budget 2009. Formally, information readily available engages the absolute exemption at section 21 of the Freedom of Information Act 2000, and public authorities are not obliged to reissue information in those circumstances. Because we recognise that information can be difficult to locate, I am providing links below to the Treasury Select Committee (TSC) and the Public Bill Committee (PBC) of the 2009 Finance Bill, where explanation of this



process is contained. Specifically, this subject is dealt with in pages 33 to 35 of the oral evidence submitted to the TSC on 28 April 2009, in pages 46 to 48 of the oral evidence to the TSC on 29 April 2009 (both included in first link) and columns 89 to 95 of the transcript of the PBC from 21 May 2009 (second link). I hope that you find this information useful.

<http://www.publications.parliament.uk/pa/cm200809/cmselect/cmtreasy/438/438ii.pdf>

<http://www.publications.parliament.uk/pa/cm200809/cmpublic/finance/090521/am/90521s01.htm>

If you have any queries about this letter, please contact me. It will be helpful to us if you remember to quote the reference number above in any future communications.

**Melanie Scoulding**  
**Information Rights Unit**  
**On behalf of HM Treasury**

**Your right to complain under the Freedom of Information Act 2000**

If you are not happy with this reply, you may request a review by writing to HM Treasury, Information Rights Unit, 2/S2, 1 Horse Guards Road, London SW1A 2HQ. Email [FOI.responses@hm-treasury.gov.uk](mailto:FOI.responses@hm-treasury.gov.uk)

Any review request must be made within 2 months of the date of this letter.

It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome your complaint, you may apply directly to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the complaints procedure provided by the Treasury. The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.