



HM Treasury

Information Rights Unit
HM Treasury
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Chris Sawyer

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www.gov.uk/hm-treasury

Via email: request-492672-
1026a479@whatdotheyknow.com

03 July 2018

Ref: FOI2018/11231

Dear Mr Sawyer

Freedom of Information Act 2000: Tax avoidance

Thank you for your enquiry of 22 June 2018, which we have considered under the terms of the Freedom of Information Act 2000 (the FOI Act).

You asked for the following information:

- "1) Can you please tell me when the term "Disguised Remuneration" was first used by the Treasury.
- 2) Can you provide me with the Treasury document that contains the first usage of the term "Disguised Remuneration"
- 3) Can you provide me with the formal definition of Disguised Remuneration used by the Treasury?
- 4) Can you provide me with examples of the term "Disguised Remuneration" used by the Treasury before 9 December 2010?"

Following a search of our records, I can confirm that HM Treasury does hold information within the scope of your request.

However, with particular regard to parts 1, 2 and 4, given the frame of reference stretches out over many decades, to search for and locate the information you have requested would exceed the statutory limit. This represents the estimated cost of one person spending three and a half working days in determining whether the department holds the information, and locating, retrieving and extracting that information. Under section 12 of the FOI Act departments are not obliged to comply with requests in these circumstances. It is difficult for us to suggest how you could narrow your request. However, if you wish to submit a revised request we would be happy to consider it.

To be helpful, we can advise the term "Disguised Remuneration" has long been used to describe arrangements which seek to avoid tax on earnings. The term was used in Parliament in a Finance Bill debate about the taxation of earnings as early as the 1950's.

You may also find the information in the following links helpful:

<https://api.parliament.uk/historic-hansard/commons/1950/jul/04/clause-23-surtax-to-be-charged-on>

Prior to the December 2010 announcement, the Paymaster General made an

announcement at the Pre-Budget report in 2004 which made clear that the Government would legislate against attempts made to avoid paying income tax and National Insurance contributions on earnings.

<http://webarchive.nationalarchives.gov.uk/20090108195357/http://www.hmrc.gov.uk/ria/ria-nicbill05.pdf>

The Exchequer Secretary to the Treasury made a Written Ministerial Statement on 6 December 2010 about disguised remuneration:

[https://hansard.parliament.uk/Commons/2010-12-06/debates/1012063000008/Anti-Avoidance\(TaxPolicy\)?highlight=%22disguised%20remuneration%22#contribution-1012063000016](https://hansard.parliament.uk/Commons/2010-12-06/debates/1012063000008/Anti-Avoidance(TaxPolicy)?highlight=%22disguised%20remuneration%22#contribution-1012063000016)

If you have any queries about this letter, please contact us. Please quote the reference number above in any future communications.

Yours sincerely

A handwritten signature in black ink, consisting of a stylized, cursive 'Z' or similar shape.

Information Rights Unit

Your right to complain under the Freedom of Information Act 2000

If you are not happy with this reply, you can request a review by writing to HM Treasury, Information Rights Unit, 1 Horse Guards Road, London SW1A 2HQ or by emailing us at the address below. Any review request must be made within 2 months of the date of this letter.

Email: foirequests@hmtreasury.gov.uk

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 of the review, you may apply directly to the Information Commissioner for a decision. Generally, the Commissioner will not make a decision unless you have exhausted the complaints procedure provided by HM Treasury which is outlined above.

The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF (or via their website at: <https://ico.org.uk>).

