



HM Revenue

& Customs

Mr Daniel Wilkes

By email: request-532834-ff2032cf@whatdotheyknow.com

Freedom of Information Team
S1715
6 Floor
Central Mail Unit
Newcastle Upon Tyne
NE98 1ZZ

Email foi.request@hmrc.gsi.gov.uk

Web www.gov.uk

Date: 4 December 2018
Our ref: FOI2018/02520

Dear Mr Wilkes

Freedom of Information Act 2000 (FOIA)

Thank you for your request, which was received on 15 November, for the following information:

"I would be grateful if you could release any information you hold on the following:

- 1) In what circumstances requests by medical practitioners for tax relief for professional examinations should be accepted and the tax-relief applied.
- 2) Any list of professional examinations that you hold which are approved for tax relief. (Such a list being as distinct from the openly published List 3 of approved Professional Organisations).

By way of example in referring to professional examinations I am referring to component parts of the Membership of the various Medical Royal Colleges. One example would be the Membership of the Royal College of Psychiatrists which is obtained by completion of a Paper A examination a Paper B examination and a Clinical Assessment of Skills and Competencies (CASC) Examination."

Normally tax relief is not permitted for expenses incurred by an employee for external education. However, following the tax case Revenue & Customs Commissioners v Dr Piu Banerjee ([2010] EWCA Civ. 843), the Court of Appeal accepted that in certain specific circumstances tax relief should be available. This is where the expense meets the general rule under Section 336 Income Tax Earnings and Pensions Act (ITEPA) 2003 and the employee is employed on a training contract where training is an intrinsic contractual duty of the employment.

HM Revenue and Customs (HMRC) set out specific guidance (EIM32535) as to what needs to be demonstrated by the employee, and HMRC would need to consider each claim for tax relief on an individual basis.

<https://www.gov.uk/hmrc-internal-manuals/employment-income-manual/eim32535>

I confirm HMRC does hold the requested information, but it is being withheld under section 31(1) (d) of the FOIA. This exemption applies to information which is held, but the disclosure of which would, or would be likely to, prejudice the assessment or collection of tax. HMRC believes that disclosing information at this level of detail may present the department with a compliance risk.

Information is available in large print, audio and Braille formats.
Text Relay service prefix number – 18001



Section 31 is a qualified exemption which means that I must consider whether the balance of the public interest favours withholding or disclosing the information.

I accept that there is strong public interest in releasing information that could help those making genuine claims, however this is met by HMRC's published guidance setting out the circumstances in which tax relief applies and assesses each claim on an individual basis.

I understand that there is a strong public interest in HMRC being able to enforce the law properly so that the tax burden is shared equally and fairly. Anything that might assist those considering, or intent on, avoiding tax is not in the public interest. Evasion and avoidance unfairly shift the tax burden onto honest taxpayers and that is not in the public interest.

Anything that puts at risk our compliance activities could undermine public confidence in the tax system. This could damage the general climate of honesty among the overwhelming majority of taxpayers who use the system properly and that too is not in the public interest.

Releasing the requested information could lead to an increase in incorrect and fraudulent claims particularly as each claim for tax relief is considered on an individual basis.

Taking a balanced view, I conclude that it is not in the public interest to set aside this exemption.

If you are not satisfied with this reply you may request a review within two months by emailing foi.review@hmrc.gsi.gov.uk, or by writing to the address at the top right-hand side of this letter.

If you are not content with the outcome of an internal review you can [complain to the Information Commissioner's Office](#)

Yours sincerely,

Freedom of Information Team