

GSCCA Newsletter 1
8 May 2015

Update to Income Tax Office online services

To ensure our customers are kept up to date with the online services offered, this newsletter sets out recent changes and enhancements made. If you have any queries regarding these enhancements or other changes to the online system, or have any suggestions of how our online services could be improved, please contact the online services team by emailing eformsquery@gov.gg. All feedback will be considered and assessed for its impact on different users of our online services, and where appropriate fed into the planned programme of work for 2015/16.

Guides to our online services, plus other useful information, have been published within our FAQ's (which can be found at www.gov.gg/taxationfaq). Our Online Services Officer, Sharon Rabey, regularly updates the guidance from the most common questions received, and would welcome your feedback on how helpful these are, and what additional guidance would assist users.

Enhancements to 2014 online personal income tax returns

In response to customer feedback, the pdf copy of the online personal income tax return now has a watermark. This identifies whether the return has been submitted as the pdf will show a 'draft' watermark prior to submission and, once successfully submitted, the watermark changes to 'final'.

The declaration section of the online return now displays on the pdf copy of the return. This is in response to requests received from accountants in order to ensure that this information is displayed when sending the return to their client.

Continuing with changes previously introduced for the 2013 online personal income tax return, the system also automatically performs some of the calculations required, such as totalling bank and mortgage interest. The online return will be further enhanced this year to perform further calculations to increase the efficiency of the automatic assessing of returns submitted online.

Automatic assessing of online personal income tax returns

Approximately 40% of all personal income tax returns filed online are automatically assessed, but at present not all income types qualify for automatic assessing. The reasons why particular returns cannot be automatically assessed are regularly reviewed in order to identify possible enhancements to increase the number of returns that could be automatically assessed, and changes will be made to the return to facilitate this in the future, whilst ensuring risks to revenue are limited.

As over 45% of personal income tax returns are now filed online, the automatic assessing process has been reviewed. The stage of the process that sends an email to advise that a return

has been withdrawn from the automatic assessing process will be removed, as this has caused unnecessary confusion with our customers, some of whom then go on to also file a paper return. This will not, however, change our aim to deal with returns filed on-line earlier than paper returns.

Please note that if an individual's employer or pension provider has not submitted their quarter 4 ETI return prior to an employee submitting their personal income tax return, the tax return will be held in suspension until either the relevant ETI information has been submitted and processed or the cut-off date in March is reached. This is to ensure that customers do not receive a bill, due to an ETI credit not yet having been processed to their account.

Enhancements to company income tax returns

The company income tax return has been updated to require identification of the person that prepared the company accounts, together with details of their relevant qualification. In the case of audited accounts, it will be sufficient to disclose the name of the audit firm and their regulatory body, for example ICAEW or ACCA. For further information regarding this change, please refer to the recently published Statement of Practice M50 regarding certified accounts.

It will also be necessary to certify that company accounts have been prepared and signed by at least one director, albeit they do not need to be submitted with the return, when selecting certificate 3.

When submitting a company income tax return online, please ensure that only documents relevant to that company are uploaded with the return.

It would also assist officers, when processing returns received, if attachments (including letters) that relate to returns for groups of companies could be separately uploaded to the return of each of the relevant companies.

Submission of company correspondence

Similarly, it would assist officers, when processing information received, if correspondence covering a number of group companies could be separated into individual letters for each specific company and submitted at the reference of each company. Alternatively, please ensure that if you are enclosing information with a letter relating to several group companies, a copy of the letter and the relevant information that relates to each specific company is submitted separately under the tax reference of each relevant company.

Further enhancements planned in 2015

The following further enhancements are planned for 2015:

- To enhance security of the system by restricting the ability to upload any documents other than PDFs (at present the system also allows Word and Excel uploads). This will remove the issues caused when password protected documents are uploaded which cannot be read by the system.

- The issue of an annual reminder by email (we anticipate in September) to all customers that have the latest online return in progress but not submitted. Following discussion with the GSCCA Tax Sub-Committee, the intention is that these emails will not be sent in respect of customers' returns in progress through the accountant's login.
- Only issuing the outstanding return reminder lists to accountants in November/December, i.e. not sending the reminder letter directly to represented companies and/or individuals (although any subsequent penalty notices would still be issued directly to your clients).

If you have any concerns or comments with these proposed enhancements, please feed this back to the online services team by email to eformsquery@gov.gg or through the GSCCA Tax Sub-Committee by 31st May.

Interruptions to recent services

Finally, I would like to apologise for any inconvenience caused following the server disruption the States of Guernsey experienced in October 2014 (previously notified to the GSCCA on 5 November). This disruption affected accessibility to the online services system (mostly at weekends) and affected our electronic document management and workflow ("EDM") system's performance, which caused returns filed online to not automatically be recorded as received, resulting in the issue of some erroneous return reminders and penalty notices.

The cause of the server disruption and performance issues has been investigated and a number of changes instigated to prevent similar issues recurring. The server and virus software have been upgraded, with a health check performed on our EDM system. Additional monitoring software has also been installed to ensure any downtime of online services is minimised.

Whilst the online services team publicise advance notice of scheduled maintenance on the website, unfortunately there have been a number of occasions when essential maintenance was required for which no notice could be given. The online services team are working with the States of Guernsey central communications team, to identify how best to provide updates on essential (unscheduled) maintenance.

Please note that no late filing reminders or penalty notices will be issued to companies in respect of Year of Charge 2013 returns, until the online services team are satisfied that all company income tax returns filed online have been recorded as received. Notification will be sent via email, in advance of your clients receiving any correspondence from us.