

Taxation of Accommodation

Update for Bursars Committee – 6th February 2020

Yesterday I heard from HMRC on the matter of taxation of accommodation.

Shorn of greetings and preamble their response was:

“...it is HMRC’s view that the colleges of Cambridge do not constitute a separate employment sector and therefore must be considered within the Higher Education sector. I appreciate this differs from your opinion and if you have further information you feel supports your position, please provide this for consideration.”

The inference is that they expect us to follow their ‘guidance’ of February 2019.

Even more than the disappointment at the refusal to accept our reasoned conclusion, you will share my sense of frustration at the lack of any reasoning provided for HMRC’s assertion.

A technical point is that I never stated that the “colleges of Cambridge ... constitute a separate employment sector”. I said it was the colleges of Cambridge *and Oxford*. I’m sure their language reflects casual drafting not any fundamental misunderstanding of our position which, if corrected, would change their view.

I shall update bursars at the Bursars Committee on 13th February on my proposed response once it is formulated and my proposed next actions.

Robert Gardiner

Gonville & Caius College, Cambridge

6th February 2020

Taxation Sub-Committee

Report to the Bursars' Committee

January 2020

Taxation of accommodation provided by colleges

I sent representations on behalf of all colleges to HMRC on 11th December. HMRC acknowledged my email and said that they expect to respond by the end of January 2020.

Taxation of supervisions

HMRC have asserted to a college that they think that all supervisors should be paid through the payroll. OIS and I have assisted in preparing a robust response rebutting their assertion and supporting the procedure historically adopted by the college and which represents (in my experience) the procedures generally adopted by colleges. HMRC have indicated to the college in question that they expect to respond by the end of January 2020.

Rates

Gerald Eve are close to agreement of valuation basis for universities and a supplementary Oxbridge colleges memorandum in relation to the 2017 rating valuation.

RG Gardiner

9th January 2020