

LITRG Press Release – 10/01/01

Students overpay millions, suggests new report

Low Incomes Tax Reform Group calls for new deal

The UK's student population pays too much tax and should be given better help by the Inland Revenue as a special category of customer, recommends a report by taxation experts published today.

Students need special recognition, it claims. Many of them need to work throughout the year to make ends meet while in education. They have to handle tax and national insurance problems for the first time. There is no focused support provided for them.

John Andrews, chairman of the Low Incomes Tax Reform Group (LITRG) which researched and wrote the report, says:

“We have showed that students are a neglected group of taxpayers who overpay tax, which they can ill-afford, largely because of ignorance of the system.”

Students - The case for making life easier is published by the LITRG and has been sponsored by the Association of Taxation Technicians (ATT).

The Group found that the tax processes applicable to students had been allowed to remain untouched for many years and “do not adequately reflect the needs of the student population and require urgent revision”.

Students often overpay tax because there is little information to assist them, states the report. Not enough is published about the tax exemption possible for certain bursary awards made by employers to employees attending full-time courses, or about the tax advantages available to students from overseas.

The LITRG recommends a set of measures to help students manage their tax. The Inland Revenue should treat them as a separate category of customer with their own official “champion”. A Students’ Pack should be prepared, while all out-of-date literature should be updated. A special website should be provided. Employers should be reminded of the procedures for employing students.

Finally, the LITRG report recommends:

“More joined-up government should be directed towards the student population so as to provide better and more coherent support.”

Issued 10 January 2001.

Students

The case for making life easier

Low Incomes Tax Reform Group
of

THE CHARTERED INSTITUTE
OF
TAXATION

January 2001

This report is sponsored by the Association of Taxation Technicians

Whilst every care has been taken in the preparation of this text to ensure its accuracy, no responsibility for loss occasioned by any person acting or refraining from acting as a result of any statement made herein can be accepted by the authors or The Chartered Institute of Taxation.

Published by the Low Incomes Tax Reform Group of The Chartered Institute of Taxation (Charity Registration No. 1037771), 12 Upper Belgrave Street, London SW1X 8BB.

ISBN 89921857 2

British Library Cataloguing in Publication Data.

A catalogue record for this book is available from the British Library.

Price £3.00

Printed by PAC Graphics Limited, London SE1

© The Chartered Institute of Taxation 2000. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form, or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior permission of the copyright holder, for which application should be addressed to Technical Department, The Chartered Institute of Taxation, 12 Upper Belgrave Street, London SW1X 8BB.

A large print version of this report is available from the Association of Taxation Technicians, please write to them at 12 Upper Belgrave Street, London SW1X 8BB.

STUDENTS THE CASE FOR MAKING LIFE EASIER

Contents

	<i>Page</i>
Foreword by John Kimmer, Association of Taxation Technicians	ii
Executive summary	iii
Chapter 1 Introduction	1
- Background	
- Students	
Chapter 2 Why do students need special consideration?	3
- Financial hardship	
- Unfamiliarity with tax matters	
- Current lack of attention	
Chapter 3 The current position and why change is needed	7
- Form P38(S)	
- Placement students	
- The overseas dimension	
- Interaction between Government departments	
Chapter 4 Recommendations for change	12

Appendix A	-	Authors of this report	13
Appendix B	-	The Student's Pack – A suggestion	14

FOREWORD

The Association of Taxation Technicians (ATT) is delighted to have been able to sponsor this report by the Low Incomes Tax Reform Group (LITRG) on the problems faced by students in their dealings with the Inland Revenue. This is a further example of the excellent work carried out by the LITRG for the benefit of members of society least able to afford professional advice.

The ATT concentrates on the practical problems which exist in the tax system in this country when making submissions to the Inland Revenue. This report by the LITRG concentrates on students and highlights the many practical difficulties which they encounter on a regular basis. The present system is not always easy to follow and can often result in students paying tax which may well not be due.

I hope that the publication of this report will lead to the provision of better information to students regarding their tax position in respect of both vacation and term-time earnings as well as the introduction of a more flexible system for students to eliminate most of the present shortcomings.

John Kimmer

**ATT President
December 2000**

EXECUTIVE SUMMARY

The Low Incomes Tax Reform Group (LITRG) originally chose to concentrate on the tax problems of students because of their growing numbers, their low incomes, and the lack of thought being given to their tax education. We soon found that the underlying tax processes applicable to students had been allowed to remain untouched for many years and now did not adequately reflect the needs of the student population.

This report argues that students need special recognition within the tax system for three main reasons. First, they face financial hardship. Because a substantial number now rely on income-contingent loans to fund their living costs, and have to make a means-tested contribution towards their tuition fees, many need to work the whole year round to make ends meet. Secondly, nothing in the school curriculum has helped them become familiar with the tax system, and yet because so many combine study with part-time work, they have to deal with tax and national insurance matters for the first time while still in education. Thirdly, because the Inland Revenue assign no particular priority to students, old procedures survive untouched, the literature designed for them is outdated and poorly focused, and the lack of any support focused on students means it is difficult for them to get access to the right information.

Because of their low incomes, students suffer disproportionately if tax is deducted unnecessarily from their wages, yet few employers know about the Form P38(S) procedure which allows a student to be paid tax free during vacation working. That procedure is itself overdue for review, and we recommend in this report that it be extended to term-time working. It is also poorly publicised, with the result that most students and their employers are unaware of it, and working students overpay millions of pounds of tax every year.

We identify two other areas where students unwittingly overpay tax because there is little information to assist them. These are the tax exemption for certain bursary awards made by employers to employees attending full-time education courses, and the tax advantages available to students from overseas.

Students also suffer from lack of co-ordination between the Government departments they have to deal with – the customer service staff of the Inland Revenue, the DfEE and the Benefits Agency are generally unaware of issues relating to each others' functions. In addition, there is misalignment between income tax and the evolving tax credits as they affect students. The need to tackle these problems in the long term has already been identified; we urge that they be given more immediate priority.

We conclude by recommending a set of measures geared towards treating students as a separate category of customer within the Inland Revenue, updating and revising current Revenue

literature and processes, and improving the publicity directed towards students and their employers.

1. INTRODUCTION

Background

The Chartered Institute of Taxation (CIOT) is the leading professional body in the United Kingdom for tax advisers. Beyond supporting the practical needs of its members, the CIOT has always taken a wider interest in tax issues and in early 1998 it established the Low Incomes Tax Reform Group (LITRG) with the objective:

‘To target for help and information those least able in the community to afford tax advice and make a real difference to their understanding of taxation and to work to make the tax system more friendly to their needs.’

The LITRG comprises some paid individuals generally funded by the CIOT but increasingly drawing support from other bodies, notably the Association of Taxation Technicians who are the sponsors of this report, the Nuffield Foundation, and indirectly the Inland Revenue (through their secondment programme). However in the main, the LITRG consists of volunteers.

It first met as a group in the spring of 1998 and acknowledged that the scope of its task was potentially so vast that priorities had to be established. It identified that individuals on low incomes with tax difficulties were typically found within three groups of the Inland Revenue’s customers:

- Older taxpayers;
- Ins and Outs (those moving regularly between employment, self-employment and unemployment); and
- Students.

In each case the tax issues are somewhat different, and so separate groups were established. We chose students as one of the priority groups to review because of their growing numbers, their evident lack of income and the apparent lack of thought being given to the tax education of this next generation of workers. The composition of the Students Group, responsible for this report, is set out in Appendix A.

Students

The Students Group concluded early on in their deliberations that the underlying tax processes applicable to students had been allowed to remain untouched for many years and now did not adequately reflect the needs of the student population.

'I give letters from the taxman to my Mum to sort out for me'

First year student

The Students Group had the benefit of a student volunteer and the assistance of University students in testing the opinions of current students. It was clear from the start that mature students had a set of problems with the tax and benefits system that were beyond the scope of this Report. We have instituted further research calculated to bring out some of the main issues, for example the particular problems of the integration of the new credits, such as Working Families' Tax Credit, with the tax system. We hope to report further in 2001.

This Report is therefore looking at students as those who are entering higher education at a university or college on a full-time basis¹ having ceased secondary education. We also consider the position of those students who have come from overseas to the UK to study who are now some 12 % of the total student population. Our recommendations for achieving significant improvements for them are covered under the headings:

- Why do students need special consideration?
- The current position and why change is needed.

¹ The Higher Education Statistics Agency reported nearly 1.033 million full-time undergraduates in the UK for the academic year 1998-99.

2. WHY DO STUDENTS NEED SPECIAL CONSIDERATION?

We consider that there are at least three important reasons for special recognition of students within the tax system. These are:

- financial hardship;
- unfamiliarity with tax matters; and
- current lack of attention.

In this chapter, we deal with each of these three factors in turn.

Financial hardship

Since the autumn of 1998 full-time undergraduates have been required to make a means- tested contribution towards tuition fees. An average undergraduate course costs around £4,000 a year for each student but for 2000-01 the most a student is expected to contribute is £1,050. The Department for Education and Employment (DfEE) estimates that around 40% of students will not have to pay any fees because of the level of income of their parents.

At the same time as introducing the means-tested contribution towards tuition fees, the Government introduced new student support arrangements. It brought in income-contingent loans to help towards student living costs². According to DfEE figures, some 660,000³ students received a loan for 1998-99 which they say represents some 68% of those students estimated to have been eligible. The DfEE calculated the average loan for 1998-99 to be £1,870 compared with £390 in 1990-91.

Many students turn to part-time working to improve their standard of living. They work not only during the summer vacation to fund their social life, but also increasingly during term-time to supplement their student loans and help to make ends meet. However, when they do find employment, students tend to be among the lower paid⁴, often doing work totally unrelated to their field of study. As a consequence of a relatively low income, paying any income tax unnecessarily tends to have a disproportionate effect on students, reducing their limited means even further.

² For students living away from home and studying in London the maximum loan for 2000-01 is £4,590. For students living away from home and studying elsewhere it is £3,725. For students living at home it is £2,950.

³ 444,000 existing students and 216,000 new students.

⁴ The NUS Students at Work Survey 1999 found that the average rate of pay in the survey was £4.37 an hour based on 311 students with an average age of 20.6 years.

Unfamiliarity with tax matters

Many more students now combine studying with part-time working. Significant numbers work not only during the summer vacation but in term-time as well. There has been a dramatic change over the last 25 years, which is projected to continue⁵. In his Pre-Budget Report of 8 November 2000, the Chancellor reaffirmed the Government's commitment to higher education when he said:

'Long term prosperity for all is our objective, achieving in this decade...higher education for the majority of young people'.

Many more young people are potentially facing a relationship with the Inland Revenue for the first time whilst still in education. Looking forward to receiving their first pay packet, they may also experience a nasty shock at the amount of tax and National Insurance Contributions (NIC) deducted.

Since she started her studies, Ruth has had two part-time jobs during term, with one employer taking off tax under Pay As You Earn. In June 2000, she was offered a month's full-time work during the summer vacation, but the company said she would be self-employed and would have to pay her own tax.

Confused and worried about what to do, Ruth spoke to her student information service, which referred her to an advice centre. There the adviser calculated that her total earnings for the year would be below the 'personal allowance' of £4,385 and so she should not have to pay any tax at all. She was helped to contact the Revenue for a refund of the tax already taken off her part-time wages, and now all her earnings are received tax-free.

Case Study 1

Students are inexperienced in dealing with the tax system and are likely to have had very little education in tax matters. The National Curriculum offers nothing to prepare them for coping with tax and NIC. For example, few students will appreciate that accepting cash in hand payments now may have an impact on their ability to claim benefits. Equally, many students who do pay tax and NIC will be unaware that they can claim back any tax which they have

⁵ Office of National Statistics figures suggest that nearly 70% of under 20s will be students by 2006 with 53% of under 20s in the labour force being students. This compares with 30% and 5% respectively in the mid 1970s.

overpaid. Some employers do not know of the procedure which allows a student to be paid tax-free during vacation working⁶. Therefore, general ignorance of the rules about income tax may prevent some students from enjoying the full fruits of their labour. Millions of pounds are probably overpaid by students every year.

'I didn't know I could claim back my PAYE, no-one gave me anything I understood'

Former student with an unclaimed tax repayment

Current lack of attention

Easing the burdens of tax compliance for students has not been high on the list of Inland Revenue priorities. There is no Inland Revenue student 'Champion' to lead a customer service initiative concentrating on making life easier, although few people would disagree that students represent a significant investment in the future economic prosperity of this country.

The main provision⁷ to ease the burden of income tax on students was introduced many years ago when few students worked except in the summer vacation and student financial pressures were considerably less than they are today. It is a system whereby, with the co-operation of an employer, a student may receive certain employment income without tax deduction. This Form P38(S) regime no longer meets the needs of the student population and would benefit from a radical review.

Although the Inland Revenue already produce information aimed at students (leaflets, booklets, factsheets, 'Z' cards and even a video) it is in the main outdated, poorly focused and difficult to understand. A perfect example of this is the main leaflet for students, the IR60 'Income tax and students' last revised in June 1997. It is, therefore, distinctly behind the times, being produced before the new students loan regime and any form of tax credit. It also fails to address the needs of the changing profile of the student population, which includes many more mature and overseas students than ever before.

This summer Alex arrived in the UK from Greece to study for a degree. To support himself, he has taken a part-time job earning £400 per month. He was surprised to learn that there was no special exemption from tax for students, and that in a full year he will

⁶ Form P38(S), see Chapter 3.

⁷ Form P38(S), see Chapter 3.

have to pay some tax as his earnings will be over the personal allowance (currently £4,385). However, no tax should be paid until next April because Alex arrived part of the way through the tax year and so his total earnings in 2000-01 will be below the personal allowance.

Case Study 2

As the Inland Revenue do not have any customer service support specifically focused on students it is sometimes difficult to get access easily to the available information. Inland Revenue support staff are not always aware of the full range of information or how to find out what exactly is accessible, making it difficult for them to provide fully effective support. For example, few people in Inland Revenue customer services are aware of the existence of a 'Z' card as a clear and accessible way for students to find out about payslips, tax codes and so on. Therefore, getting accurate advice on obtaining such a 'Z' card is difficult for an ordinary student.

Even if the student does manage to overcome the accessibility hurdle, there is another hurdle to face. Even highly literate and numerate students find it difficult to work out their rights and obligations for income tax. For example, when asked the question 'has anyone ever explained anything to you about income tax?' one student replied:

'The Inland Revenue came to my school to give a talk but it was boring and everyone was falling asleep. We didn't understand a thing, they weren't talking on our level. They gave out some booklets but they weren't in our language and got pushed to the back of the cupboard.'

First year university student

3. THE CURRENT POSITION AND WHY CHANGE IS NEEDED

The Inland Revenue treat students just like any other member of society, that is as another potential taxpayer. Although this ensures that the starting point for any individual is a level playing field in tax with the same position as all others, it also presents a challenge. Coping with tax is likely to be more testing for the average student as employers will not invest time in explaining to ‘casuals’ in the same way as they would to permanent employees.

During the summer holidays, Simon worked for six weeks and had tax of £200 taken off his earnings. He had no other income in the year and felt this must be wrong.

His mother’s employer referred him to an advice centre where he was advised how to contact the Revenue to claim the tax back, as his total income for 2000-01 will be below the tax threshold of £4,385. The adviser also explained that his employer should have asked him to complete a Form P38(S) when he started work, if this had been done no tax need have been deducted in the first place.

Case Study 3

The Inland Revenue do make one significant concession to students. This is a relaxation to the rules for paying tax during vacation employment. Otherwise, the tax system for students is little different than for other taxpayers. In particular students face the same complex legislation, the impenetrable interaction between tax and benefits, and in addition they are up against the Revenue-administered system for the repayment of student loans.

The Government’s use of the tax system to deliver certain welfare payments is growing. As tax credits are developed, more questions about the interaction with student funding will arise. To minimise confusion any such student issues should be specifically addressed during consultations to ensure the success of tax credit design.

Students are particularly dependent on advice and information provided by the Inland Revenue to guide them through the tax maze. The vast majority of students will not be able to afford professional advice so it is essential for the Inland Revenue to provide support which is both accessible and attractive to them.

Form P38(S)

The Form P38(S) regime has operated without change for at least a quarter of a century. Despite its longevity, some employers seem unaware of its existence and consequently students suffer financially.

'Is it a bit like the P45?'

First year student commenting on the P38(S) having had his employer deduct tax

Under the P38(S) regime, students who calculate that they are not liable to tax can ensure that they do not pay tax which they do not owe. This saves time and costs for students, employers and Inland Revenue alike. More emphasis on this regime should be given in Inland Revenue publicity.

To benefit from the Form P38(S) procedure, a student must estimate whether his or her total taxable income for the whole of the tax year is likely to be less than the personal allowance for that year. If the student thinks this is the case he or she should ask the employer for Form P38(S). This of course pre-supposes that the student knows about the process. The completed form enables the employer to pay the student's wages without the deduction of income tax, although the employer will still deduct NIC if the student's pay exceeds a certain amount each month or week⁸.

However, Form P38(S) only applies to holiday working. It does not apply to term-time employment. As reported in Chapter 2, many more students are now working part-time throughout the year to supplement their student loans. However, the rate at which they are paid still makes it unlikely that large numbers of them will earn in excess of the personal allowance in a full tax year. The tax advantage of the Form P38(S) is, therefore, very much less than if it applied all year round.

Substantial numbers of students drop out each year, failing to complete their studies⁹. Students give several reasons for dropping out; exam failure, ill health, personal reasons and financial pressures are among them. Financial pressures, though, could be alleviated if the P38(S) regime was better maintained and more widely publicised. It is the only relieving provision targeted at

⁸ For 2000-01 NIC is payable from an income of £329 monthly and £76 weekly.

⁹ The DfEE annual report March 1999 shows that in Higher Education in the 1995-96 academic year, between 18% and 19% students left degree courses. These percentages include those students switching to a lower level of study but exclude those transferring between degree courses or subjects.

minimising financial casualties among individual students. On the other hand, the risk of loss to the Exchequer would, in our estimation, be small if the P38(S) procedure was extended to term-time working, and so available throughout the year.

Placement students

Tax law exempts from income tax a scholarship or similar award to a person receiving full-time instruction at a university, college, school or other educational establishment¹⁰.

Where an employer makes a payment to an employee for periods of attendance on a full-time education course then, within certain limitations, up to £7,000 a year may be regarded as exempt from income tax.¹¹

The existence of this provision is not widely publicised – indeed in the Inland Revenue’s student leaflet (IR60) the quantum is not mentioned. In a small sample of Tax Offices and Students’ Union Welfare Offices (the Revenue’s recommended consultation points) the amount was not readily available.

In July 1999, Carole gave up full-time employment to return to university for an MSc. She was awarded a bursary which just about covers her course and living expenses. Carole asked her tax office for a refund of tax paid in her previous job, but they replied that she must first ‘provide confirmation from your college that the bursary is exempt from tax’.

She did not know how to go about doing this but spoke to her student union who referred her to an advice centre. There the adviser explained that bursaries are normally exempt from tax and that the tax office’s request was unreasonable, as college staff are not experts in tax. With their help she wrote back to the tax office saying that she could not obtain the confirmation requested, but offering to obtain whatever information they needed concerning her bursary so that they could make the necessary judgment.

Case Study 4

The level of exemption of £7,000 aims to cover lodging, subsistence and travelling and has not been increased since April 1992. Taking just an inflation addition up to September 2000 would require an increase up to £8,700. The allowance was historically revised every three years up to 1992 and we recommend that an immediate uprating should take place with attendant publicity.

¹⁰ Income and Corporation Taxes Act 1988, section 331.

¹¹ Inland Revenue Statement of Practice 4/86.

Such allowances although exempt from income tax are taken into account as income for tax credits such as the Working Families' Tax Credit and can attract a high effective tax rate. We are not convinced that the interactions between the new tax credit regime and the income tax system have been sufficiently thought through. Better alignment is required if the purpose of special income tax treatments is not to be lost.

The overseas dimension

The latest available data show that some 219,000 or 12% of the total student population come from overseas to study in the UK.

The tax treatment of someone who is resident in the UK for a temporary purpose only, or who is domiciled outside the UK, is generally advantageous, but needs to be understood clearly if the individual is not to be saddled with an unnecessary tax burden. Also, double taxation arrangements with other countries may include provisions that remove any UK tax liability from students coming from those countries to study in the UK.

So with this degree of complexity one would expect the position to be clearly flagged for the benefit of such students. It comes therefore as a surprise and a disappointment that the main Inland Revenue leaflet for students (IR60) does not once mention these advantages or give guidance on avoiding the traps that await the unwary.

Interaction between Government departments

As a particularly vulnerable section of society, students would benefit enormously if there was more joined-up government.

The Inland Revenue are responsible for providing students with advice on tax matters generally and they have particular responsibility for maintaining the repayment system for student loans. Students may end up making repayment through the PAYE system if they are employed, or through self-assessment if they are self-employed, and they may have to complete an annual return.

The DfEE are responsible for providing students with advice not only about obtaining funding for their higher education but also on repaying that funding if it includes a student loan.

The Benefits Agency are responsible for providing school-leavers and students with advice about any benefits to which they might be entitled¹².

At present, the customer service staff of the three departments tend to operate in separate silos and are generally unaware of issues relating to each others' functions. The Inland Revenue say that they will be working more closely with other departments.

¹² See leaflet GL19 from April 2000 School-leavers and students: a quick guide to benefits you may be able to get if you have just left school or are a student.

One of their key operational targets for 2000-2001 is:

'looking at how we can simplify our forms and leaflets and the possibility of working with other government departments to produce combined products'.

However, students need to see some benefit from this intention sooner rather than later. Even if a one-stop shop¹³ for student advice is still a service on the distant horizon, the Inland Revenue could do much now to achieve a quantum leap in its provision of customer service for this particular section of society.

¹³ A one-stop shop able to provide advice on funding and loans, loan repayment, benefit entitlement while studying, income tax requirements: that is all the major issues which interact with the tax system.

4. RECOMMENDATIONS FOR CHANGE

In the light of the issues raised in this Report we recommend that:

1. Students should become a separate category of customer within the Inland Revenue with a student 'Champion' advising a team of badged individuals who are responsible for customer service.
2. The current out of date literature, with IR60 as the top priority, should be immediately updated, but also a process should be put in place to include student issues for specific consideration when any leaflet is revised.
3. The current literature should take account of the overseas dimension to the student population.
4. A Student's Pack should be prepared by the Inland Revenue to explain what students need to know and do (see Appendix B).
5. A separate section on the Inland Revenue website should be created and devoted specifically to students.
6. The Form P38(S) procedures should be revised and extended.
7. Although we have not carried out a formal study it would seem that many employers are not aware of (or ignore) the Form P38(S) procedures. We suggest that a particular reminder is sent by the Inland Revenue to all employers, perhaps in an edition of Employer's Bulletin.
8. The regime whereby student placement costs can be regarded as tax-free if met by employers should be updated and better publicised.
9. As new credits are introduced the interaction with student funding should be understood and taken into account.
10. More joined up government should be directed towards the student population so as to provide better and more coherent support.

APPENDIX A

MEMBERS OF THE LOW INCOMES TAX REFORM GROUP WHO PARTICIPATED IN PRODUCING THIS REPORT

John Andrews (Chairman), Past President, Chartered Institute of Taxation 1997-98

Gerry Petherick (Co-ordinator), LITRG, on secondment from the Inland Revenue

Francesca Lagerberg, Senior Technical Manager, Tax Faculty of the ICAEW

Caroline Cecil, Public Relations Consultant, Caroline Cecil Associates

Kathryn Dovey, Law Student, King's College London

LITRG would also like to acknowledge the significant assistance received from Angharad Miller of the Tax Faculty of Bournemouth University, and staff at TaxAid, a charity which gives free advice on tax and tax debt to people in financial need.

APPENDIX B

THE STUDENT'S PACK – A SUGGESTION

The Students Group feels that many students will not read 'bumph' so the Internet is the most appropriate method of communication. However, there must be a paper alternative, for those without access to the Internet.

We suggest that any paper-based product should come in a soft plastic folder (cheaper to post, more portable than a hard binder) with a clear plastic pocket to take the 'Z' cards (expandable credit card sized sheets).

The Pack must take account of the thousand or so blind or partially sighted students at UK universities following both undergraduate and postgraduate courses and the more significant numbers of students from overseas.

Designing a Pack requires more than just combining existing material. Some of the existing Inland Revenue material requires revamping and refocusing.

The contents of the Pack should be available as individual items as well as in combination and be obtainable by Internet or Orderline.

Possible Contents

- 8 glossy loose A4 sheets: LITRG's contribution to the Pack

1. An introduction and Contents sheet

The Introduction describing a partnership between LITRG and the Inland Revenue to improve the accessibility of tax-related information to students, including a mission statement for both organisations and tax quotes for some light relief.

2. 8 Golden Tax Rules
3. Tax free holiday jobs
4. How to reclaim tax

5. Employed or self-employed?
6. How to complain
7. Where to get more help

Useful contact numbers and an outline of other Revenue leaflets not included in the Pack but which might be of interest such as:

an [updated] IR34 PAYE Pay As You Earn
an [updated] IR37 Appeals against tax
an [updated] IR56 Employed or self-employed
an [updated] IR58 Going to work abroad?
an IR90 Tax allowances and reliefs with insert when out of date
an [updated] IR110 A guide for people with savings
an [updated] IR120 You and the Inland Revenue
an [updated] IR167 Charter for Inland Revenue taxpayers
an [updated] CWL1 Starting your own business?
an [updated] SA/BK3 Self Assessment: A guide to keeping records
an [updated] SA/BK4 Self Assessment: A general guide to keeping records
an [updated] SA/BK8 Self Assessment: Your guide

8. 'Let's talk about tax baby' – an article by law student, Kathryn Dovey
- 2 Inland Revenue 'Z' cards

1. 'Why pay too much tax?'

This existing Revenue publication could be updated for the slightly older audience the Pack is addressing.

2. 'What does the Inland Revenue do?'

This existing publication could be adapted for the student audience.

- A Brief History of Income Tax

This excellent booklet (perhaps updated) produced for the Bicentenary of Income Tax could prove to be of interest to students generally containing as it does historical and political issues surrounding taxation.

- 4 Inland Revenue Leaflets

1. IR33 Income tax and school leavers

This leaflet was revised in May 2000 and contains 2000-2001 examples. It is therefore up-to-date until the next Budget.

2. IR41 Income tax and job seekers

This leaflet was revised in April 2000 and will remain up-to-date until the rates/allowances change.

3. IR60 Income tax and students

This leaflet was last updated in June 1997. It is out of date and will need a radical revamp before inclusion in the Pack. It needs to cover in some depth starting work whether in employment or self-employment, including working in the IT industry and the relationship with IR35.

4. IR119 Tax relief for vocational training

Although revised relatively recently (September 1999), the examples in this leaflet are out of date. It should be revised before inclusion in the Pack.

- 3 DfEE booklets. A chance for the Revenue to demonstrate their partnership with the DfEE in student matters.

1. Student Loans: Guidance on Terms and Conditions

2. Making a Difference: Financial Help for Higher Education Students

3. Financial Support for Higher Education Students in [2000-01]

- 5 Revenue yet-to-be-produced Helpsheets/Factsheets.

1. Students with loans and/or benefits and WFTC/DPTC

2. Students and WFTC/DPTC: childcare issues

3. Students and WFTC/DPTC: the lone parent

4. Students and CTC
5. Students from overseas

Summary of possible contents

Item	Details	Type
1.	Introduction & Contents	Glossy A4
2.	8 Golden Tax Rules	Glossy A4
3.	Tax-free holiday jobs	Glossy A4
4.	How to reclaim tax	Glossy A4
5.	Employed or self-employed?	Glossy A4
6.	How to complain	Glossy A4
7.	Where to get more help	Glossy A4
8.	Let's talk about tax baby – an article by law student Kathryn Dovey	Glossy A4
9.	Why pay too much tax?	'Z' card
10.	What does the Inland Revenue do?	'Z' card
11.	A Brief History of Income Tax	Booklet
12.	IR33 Income tax and school leavers	Leaflet
13.	IR41 Income tax and job seekers	Leaflet
14.	IR60 Income tax and students	Leaflet
15.	IR119 Tax relief for vocational training	Leaflet
16.	Student Loans: Guidance on Terms and Conditions	Booklet
17.	Making a Difference: Financial Help for Higher Education Students	Booklet
18.	Financial Support for Higher Education Students in [2000-01]	Booklet
19.	Students with loans and/or benefits and WFTC/DPTC	Helpsheet/Factsheet
20.	Students and WFTC/DPTC: childcare issues	Helpsheet/Factsheet
21.	Students and WFTC/DPTC: the lone parent	Helpsheet/Factsheet
22.	Students and CTC	Helpsheet/Factsheet
23.	Students from overseas	Helpsheet/Factsheet

ASSOCIATION OF TAXATION TECHNICIANS

The Association of Taxation Technicians was formed in 1989 to provide a qualification for those engaged in tax compliance. The creation of the Association grew out of the development of taxation as an independent professional activity in its own right, and the clear need for an additional qualification in this field.

The Association's examinations provide a sound basis in UK taxation together with the relevant law and accountancy principles and are becoming of increasing importance, especially in the light of Pay and File and Self-Assessment. A successful examinee who also fulfils the practical experience criterion acquires through membership of the Association the qualification 'Taxation Technician' and use of the letters ATT. The examinations also provide a stepping stone towards membership of The Chartered Institute of Taxation.

The Association admitted its first members in January 1990. Growth in membership has exceeded all expectations. Membership is close to 3,700 and there are some 4,000 students and affiliates.

Members come from varied backgrounds and with very different prior experience. Many hold another professional body's qualification and have seen the ATT as a natural addition.

The Association of Taxation Technicians
12 Upper Belgrave Street
London SW1X 8BB

Telephone: 020 7235 2544
Fax: 020 7235 4571
E-mail: info@att.org.uk

Website: www.att.org.uk