OLDER PEOPLE ON LOW INCOMES – THE TAXMAN'S RESPONSE

'I sent a message to the fish:
I told them 'this is what I wish.'

The little fishes of the sea,
They sent an answer back to me.

The little fishes' answer was
'We cannot do it, Sir, because --'

'I'm afraid I don't quite understand,' said Alice.
'It gets easier further on,' Humpty Dumpty replied.

(Lewis Carroll, 'Alice Through the Looking Glass')

1 Introduction

Background

In this Report, the second published by the Low Incomes Tax Reform Group (LITRG) of the Chartered Institute of Taxation, we show how the recommendations made in our first Report in December 1998, ***Older people on low incomes: the case for a friendlier tax system***, have been received by Government and the Inland Revenue.

The LITRG was established in April 1998 with the following mandate:

> *'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.'*

For the nine months which preceded publication of our December Report, we had studied the way in which the tax regime affected older people on low incomes, and received a mass of correspondence showing the acute levels of distress caused them by the nature of their dealings with the Inland Revenue.

General reactions

Our December Report was widely welcomed with letters of support from Parliamentarians and other public figures, but we did not know how the Treasury and the Inland Revenue would react.

Would there be a vigorous denial of our criticisms? Would there be assertions that our research was flawed? Would there be claims that our conclusions were faulty? None of this has happened, so why are we disappointed?

Well, although our report was 'read with interest and will be considered in preparation for the Spring Budget' (Financial Secretary to the Treasury) and 'read with great interest' (Board Member of the Inland Revenue), and although it contained 'a number of interesting and useful points' (Director, Personal Tax Division, Inland Revenue), we are left with the feeling that the policy is to 'change one or two things in a reasonable timescale and the rest can be forgotten'. We hope, for the sake of the older people for whom we speak, that this impression is wrong.

The Prime Minister recognises the need to target older people for assistance:

> *'For too long the interests of older people have not been a high enough priority for government. I want that to change. People are living longer, and enjoying many more years of active life after retirement. We need to plan for this. But we must also make sure that excellent services are there for those who need them, especially the very old or frail.'*
> (Rt Hon Tony Blair, in his Message to the Better Government for Older People programme)

Sadly the Inland Revenue seem to have given short shrift to the Prime Minister's wish:

> *'...a key aim [is] to raise our customer service standards across the board rather than to focus available resources on any particular group. Older people should see the benefit of general improvements which we are able to make.'*
> (Director, Personal Tax Division, Inland Revenue in a letter reproduced as Appendix B)

Inland Revenue resources are already recognised as insufficient to meet its current performance targets, so any 'jam tomorrow' will be spread so thinly as to be scarcely visible to older people. But resources are usually found when avoidance or fraud is suspected. One wonders how much extra per capita is expended on dishonest taxpayers as compared with those who are older, but honest.

In any event, it is not possible to raise customer service standards without understanding the needs of your customers and recognising that those needs will not all be the same. As we clearly demonstrated in our December Report, the needs of older people are distinct, and they will be disappointed that the Inland Revenue have not taken forward suggestions for a number of ways in which 'customer focus' could be improved.

In the meantime. . .

In 1999 we have continued to research the tax problems that face older people on low incomes. We have done this by direct appeals to pensioners asking them to write to us on specific issues. We have received hundreds of letters which have provided us with a clear picture of their concerns and difficulties. We have also established a 'pensioners panel' of over 100 pensioners who have agreed to write to us several times a year to update us on the progress of their tax affairs and report on any difficulties they encounter.

We have issued a number of press releases which have received extensive coverage in the national newspapers. We have been very appreciative of the support given by the media for our efforts to achieve change.

We have continued to build relationships with, and assist, other charities and voluntary organisations which may not have the depth of technical tax expertise to which we have access.

We are also fortunate to have received generous support from the Nuffield Foundation. This will enable us to obtain more research and administrative assistance in order to press forward with certain proposals in our December Report.

In the following pages we look more specifically at what has happened in the seven months since the publication of our report. We do this in three parts:

The law and policy issues

Tax administration issues

Volunteering

And then a brief conclusion.

2 The law and policy issues

Budget and Finance Act 1999 – yet more complexity

In our December Report we identified that the structure of allowances and tax rates was one of the key aspects of law and policy which causes particular difficulties for older people on low incomes.

> *'Why is it that the Married Couple's Allowance needs to be as complicated as the laws of relativity?'*
>
> Pensioner comment

This year's income tax changes introduce a new starting rate of 10% from 6 April 1999, replacing the former lower rate of 20%. But this has brought further complications in its wake. The new starting rate does not apply to savings income; indeed savings income is itself taxed at different rates, depending upon whether it is derived from dividends or from other sources.

As a result of these changes the rates of income tax applicable to the different sources of income in 1999/2000 are:

Earnings and pensions	10%, 23% and 40%
Savings income (non-dividend)	20% and 40%
Dividend income	10% and 32.5%

To illustrate the complexity of the spread of rates and the order in which income is to be charged, and how older people are affected, let us compare the typical cases of three single pensioners aged between 65 and 74. All of them are in receipt of a state pension of £4000 and additional income of £2000. The additional income of Pensioner A is from dividends, that of Pensioner B from bank interest and Pensioner C has a retirement annuity.

Although they all have the same gross income, they will have varying net disposable incomes after tax as set out below:

Pensioner A	£5800	Although the taxable income is taxed at the rate of 10%, the dividend is received net of a £200 tax credit which is no longer repayable to non-taxpayers.
Pensioner B	£5944	The bank interest is received net of a 20% tax deduction, and the pensioner cannot benefit from the 10% starting rate. The 20% tax is refundable to the extent that the income falls within the personal allowance.
Pensioner C	£5972	Here the 10% starting rate of income tax is applicable and the tax deducted is repayable.

However confusing such a result will be for older people on low incomes, they will still need to understand the broad principles involved if they are to make sensible decisions about where to invest their small amounts of capital. For example, they will need to be able to evaluate the effect of any loss of dividend credit covered by allowances, or compare the worth of a tax free lump sum for investment with that of taking an annuity when considering whether to commute a pension. The new position is now far more difficult to judge.

We also commented in our December Report on the complexity of tax allowances, some of which reduce the amount of taxable income whilst others are given in the form of a tax credit. The Married Couple's Allowance (MCA) and the Widow's Bereavement

Allowance (WBA) are being abolished from 6 April 2000, except that the MCA is being retained for taxpayers born before 6 April 1935.

This change will create new anomalies. These are illustrated in the example that follows, the facts of which are purposely somewhat fanciful but the underlying point is real enough.

An example of the 'age trap'

Consider male twins, the elder having been born on 5 April 1935 and the younger on 6 April 1935. Before the changes both, as married men, would have expected to receive the higher rate of MCA, but now only the elder will do so. Assuming both twins continue to live for many years, their annual tax calculation will be different even if they have exactly the same income. We are not in favour of creating such deliberate anomalies in the tax system, particularly where older people are concerned.

Let us now assume that neither twin had in fact been married, but that they both will get married in ten years' time to wives younger than themselves. Then, only the elder twin will become entitled to the MCA. If, however, they married wives older than themselves, then they would both get the MCA.

We will be interested to see from our post bag just how many Inland Revenue officers are able to explain these perverse situations to the pensioner population.

We also referred in our December Report to the numerous marginal rates of tax applicable to taxpayers who are subject to the 'means testing' of the higher personal allowance and the MCA. This is another area where complexity has increased with this year's changes. The clawback of the higher amounts now starts at £16800, an amount which admittedly may not constitute a 'low' income but does not necessarily point to any great wealth. Those clawback provisions, when combined with the differing tax rates on different types of income, produces the extraordinary progression of tax charges illustrated in the following table for a married man between the ages 65 to 74:

NON-SAVINGS INCOME		**SAVINGS INCOME (NON-DIVIDEND)**	
Incremental income £	Marginal rate of tax %	Incremental income £	Marginal rate of tax %
8796	0	8282	0
8004	23	8518	20
2770	34.5	2770	30
6310	28	6310	25
6455	23	6455	20
Balance	40	Balance	40

Since it is most unusual for an individual to have all their income from only one of the income streams above, as assumed in the table, the position will be more complex when there are mixed sources. Even greater difficulty ensues when the pensioner has dividend income as this source has its own charging regime of 10% or 32.5%. Yet older taxpayers will be expected to work this out to determine their best investment options and the Inland Revenue will need to be equipped to explain this to taxpayers. We will be interested to see how many tax officers are able to write to taxpayers and correctly describe the interaction of these provisions.

Developments on other December Report recommendations

As can be seen from the summary in Appendix A, we have not had much response to date from either the Treasury or the Inland Revenue. The pensioners we represent will find that disappointing. However, there was public debate on two issues that we raised.

- *The 'dividend/savings trap'*

First, we volunteered to help to solve the government's dilemma in trying to protect their corporation tax changes while not penalising the poorest pensioners by withdrawing their right to reclaim the tax credits on their dividends. Our offer was not taken up. On the contrary, the matter was concluded by the issue of a short press release from the Paymaster General in December stating that no attempt would be made to protect the poorest. This was in spite of special tax rules being introduced to protect the highest paid in similar circumstances. This means that older people in that position face a 'dividend/savings trap', whereby they either retain their dividends and lose the repayable tax credit; or they switch to what may be less appropriate investments. If they reinvest in Pensioners' Bonds, that could prompt their inspector of taxes to send them a Self Assessment form.

- *The 'bureaucracy trap'*

Secondly, our proposal for a 'tax exemption certificate' to take many thousands of older people on low incomes out of the tax system entirely was debated at the Report stage of the Finance Bill in July and received significant support. The Clause under discussion was drafted with the assistance of the LITRG.

Despite the fact that the Clause was rejected by 316 votes to 149, the Financial Secretary to the Treasury said:

> *'The idea of the certificate was put forward by the low incomes tax reform group. I can tell the hon. Member for Kingston and Surbiton that the Inland Revenue is holding discussions with the group about its ideas, and we are always willing to consider how the scheme might be improved'.*

However, earlier in the debate there appeared to have been a misunderstanding as to the main purpose of the certificate when the Financial Secretary commented:

> *'I understand the concerns raised by the hon. Member for Kingston and Surbiton (Mr. Davey) about the impact of the tax system on older taxpayers, but I am not convinced that his solution is the best way to deal with the problems. The aim of the proposed certificate for older taxpayers is that those on low incomes should be given assurances that they are outside the tax system, in particular to enable them to receive income without the deduction of tax at source. The present system achieves what the certificate is designed to do. Around two thirds of older taxpayers are outside the tax system [sic].'*

In practice the receipt of gross interest is a minor function of the certificate. What is more important is that people on low incomes who do not, or should not, pay tax are spared the need to communicate with the Inland Revenue, with all the stressful form-filling that that at present entails. We shall aim to persuade the Inland Revenue in our discussions with them that the primary function of the tax exemption certificate is to take older taxpayers, whose income falls below the tax threshold, truly outside the tax system by ensuring that they need have no dealings at all with the tax authorities.

3 The tax administration issues

Background

In our December Report we presented compelling evidence from older people on low incomes of how the Inland Revenue tended to treat them. Although our findings have been reviewed at senior levels in the Inland Revenue, there has been only limited movement and largely no direct response, as our Summary of Recommendations in Appendix A and the Inland Revenue's formal response in Appendix B clearly show.

Some progress on the 'Self Assessment trap'

Our December Report amply showed the distress that insensitive mass mailing of intimidating Self Assessment forms was causing the poorest people in the country. We were inundated with letters, examples of which we published, and we tried to help as many of the pensioners as we could. Many were close to breakdown.

> *'I too received a self assessment form to fill in. It has been a nightmare to me as I am 85 years of age I could do without this hassle. When I questioned the revenue I am sent further forms. I do not understand, I despair of it all, it is a great worry.'*
>
> Pensioner comment

Despite the clear evidence of the findings in our Report, the Inland Revenue obdurately failed to adjust their distribution of returns in April to stop them going to pensioners with simple affairs. Then, on 5 July, the Paymaster General acknowledged that the existing practice was an ‘exercise in red tape and bureaucracy’ which would be changed next April. Some 200,000 older people on low incomes would then be removed from the trial of Self Assessment. On the face of it this seemed a victory for common sense. But a closer look at the press release showed that the new treatment would apply only to those whose affairs were dealt with under PAYE. Consequently many of the most vulnerable pensioners will continue to get returns, not it would seem out of malice or pressing tax leakage, but because it would require too much human resource to change the procedure.

> *‘I am one of those pensioners on low income who is being hectored by the Revenue. I’ve tried explaining about being income not enough to tax, this is the third year running. Even though my circumstances stay the same.’*
>
> Pensioner comment

There are still some months before this issue has to be determined and we urge that serious consideration is given to our December proposal in order to relieve many thousands more pensioners from the ordeal. As we indicated previously we believe that this would also be a cost saving exercise for the Inland Revenue.

We were sorry to see that there were no relieving measures in the press release to help pensioners who had returns inappropriately sent to them this April. Despite this, we have seen common sense being operated in some local tax offices in order to circumvent the computer, but this has been ostensibly against Head Office instructions.

Some progress on Tax Back

We estimated last year that, based on Inland Revenue figures, some one million pensioners might be overpaying tax, and we called upon the Inland Revenue to reintroduce an updated version of their Tax Back campaign which ceased in 1995. We also said that banks, building societies and insurance companies could do much more to inform their customers of the opportunity to receive their interest free of tax by completing a form R85 issued by the Inland Revenue. We were also critical of the complexity of the form and the lateness of its issue.

There has been good progress on this front in some areas. The Inland Revenue have re-designed the form R85 (albeit with very little time for consultation) and made it simpler. Its issue has been brought forward, although not as early as we would wish. Also, a number of banks and building societies have improved the information given to their customers, but it is clear from recent samples that there is still much misleading literature being issued. We will be discussing this matter further with the British Bankers Association and the Building Societies Association in the near future.

In May, the Treasury Select Committee added its considerable weight to our call for a more determined drive to identify those paying tax unnecessarily:

> ‘*We recommend that in its response to this Report the Government sets out its evaluation of the last Tax Back campaign and a proposal for a new campaign to alert people to tax which might be owed to them. We also recommend that the Government gives a commitment to run a new campaign in 2000.’*
> (Sixth Report of the Select Committee on the Treasury)

Following this, the Inland Revenue have announced an imminent revival of the Tax Back campaign, and will shortly hold exploratory discussions with the LITRG and other representative bodies.

No progress

It is clearly disappointing that there has been no substantive progress on other tax administration issues raised in our report. It may merely be, of course, a matter of resources and timing rather than a lack of appreciation of the difficulties faced by older, poorer taxpayers. For we do not believe that the problem has gone away; indeed in some cases the position has clearly become worse.

In their ‘service commitment’ to taxpayers the Inland Revenue commit to provide:

- clear and simple forms and guidance
- accurate and complete information in a helpful and appropriate way.

Our report last December demonstrated that the Inland Revenue were failing in that commitment to older people on low incomes. At that time we criticised the booklets and leaflets aimed at the pensioner population as lacking coherence and appropriate coverage, being inconsistent, out of date and unsuitable for those with disabilities. That remains the case some 10 months after our last publications review.

Since that review the Inland Revenue have revised four leaflets: P3, IR80, IR90 and IR110. None of these updates has improved the ability of the pensioner to obtain simple and current answers to the questions that trouble them most. Indeed the updating has been perfunctory and, if anything, the coherence between leaflets has deteriorated. A number of the examples can be regarded as misleading.

We also carried out a small survey and asked 20 tax districts which leaflets they would recommend for pensioners. Some denied the existence of any leaflets, one referred us to the DSS, others required the reference numbers of the leaflets, most referred us only to IR121 (a booklet we have strongly criticised) when that publication itself suggests a wider range of suitable reading material. When they sent out the leaflets only two tax districts followed recommended Inland Revenue procedures and enclosed an insert showing the tax rates for the year 1999/2000. This performance re-emphasises the need for a greater focus on this ‘customer’ base and more internal training on their needs.

We have previously noted that it is almost impossible for a pensioner to gather all the information that they need from an existing, single leaflet. Any one leaflet provides a list of other suggested publications and tells the pensioner to telephone the Inland Revenue Orderline (at local call rates) to get copies. What it doesn’t say is that this central store only stocks around half of the named leaflets, and if the pensioner wants one which is not in stock, they will be told to start again by ringing their own tax office (which, as we have shown, may not be a happy experience). Not only that, but because of the regional dispersal of tax offices that call is unlikely to be charged to the pensioner at local rates. (Another of our recommendations, to which we have had no response suggests that all calls to tax offices should be at local rates.)

On the remainder of our recommendations for operational improvements designed to help older taxpayers we have heard little. The nature of this group of Inland Revenue customers means that many of them are not destined to see any improvement in their lifetimes.

> *‘I have no way of increasing my income but it looks as though I shall have to continue to fill in these forms until I am too frail and infirm to be able to.’*
>
> Pensioner comment

4 Volunteering

Some progress

In our December Report we presented the results of our research into the use in the USA and Canada of volunteers from the wider community helping those unable to afford professional tax advice. This research showed how such schemes were either operated or supported financially by the Revenue authorities in those countries. We also noted the existence of a similar scheme in Australia.

Based on that research, we argued that many positive lessons could be learned from the North American experience if such schemes were to be introduced in the UK. In particular, they provide a ‘human face’ to the tax regime, helping many people who might otherwise be nervous of approaching the tax authorities directly for help; this in turn improves public perceptions of the authorities themselves. Also, the use of volunteers has raised both the quality and levels of compliance by producing more, and more accurate, returns; it has provided the opportunity for fruitful partnerships between the Revenue authorities and those voluntary sector and professional bodies which organise and supervise the volunteers.

Where welfare support is provided by way of tax credits, the schemes have been used to enhance take-up; and the combination of a modest expense by the authorities with massive amounts of free time given by the volunteers has resulted in significant cost-benefits for the public purse.

We therefore recommended:

> *'that the time has come for Government to consider seriously the introduction of a publicly supported tax volunteer scheme in the UK.'*

We also suggested that bearing in mind the particular difficulties faced by older taxpayers:

> '*consideration be given to a scheme which is addressed to serving older taxpayers, to supplement improvements to the administration of the tax system that we have recommended.'*

Since then, much general interest has been shown in 'tax volunteering'. We held a general discussion with the Financial Services Authority who were interested in the idea in the context of their consultation paper *Promoting public understanding of financial services: a strategy for consumer education* (November 1998).

We have also been approached for advice by Cumbria County Council, who have taken the initiative suggested by the December Report and are making preparations for a volunteer scheme to assist with claims for the Working Families Tax Credit (WFTC) when it is introduced in October. They believe that such a scheme, by encouraging take-up of the WFTC, will help bring further resources and more economic activity to the region.

The response from the Inland Revenue has been mildly positive, as their letter (at Appendix B) shows:

> '*You suggested that the Government consider introducing a publicly supported tax volunteer scheme in the UK, focused principally on older taxpayers. We have opened discussions around Whitehall about the best way of providing support to pensioners and others, and will keep you informed of progress.'*

We look forward to participating in further discussions with the Inland Revenue and other departments on taking forward this worthwhile initiative.

We have continued to play a part in a pilot scheme in Wolverhampton under the Better Government for Older People initiative. This aims to deliver better customer service to older people through greater co-operation between national and local government, in particular the Inland Revenue, Benefits Agency and Local Authority Social Services Department. It is still early days in this development.

5 Conclusion

As can be seen from this brief update, there still remains much to do in persuading the Treasury and the Inland Revenue of the merits of the recommendations put forward in our

December Report. But our subsequent work has merely confirmed that the cause is very worthwhile. The distress, fear, frustration and worry to those in the twilight of their lives engendered by the present tax structure and its day to day operation is quite disproportionate to the amounts of tax at stake.

Appendix A

Recommendations	***Benefits to be gained***	***Response***
The law and policy issues		
Uprate tax allowances automatically before the start of the tax year in coding notices	Pensioners would not have tax over-deducted early in the tax year only to be repaid later. Correspondence with the Revenue would be substantially reduced	No specific response
Reverse prospective abolition of non-taxpayer's right to reclaim tax credits on dividends	Remove the anomaly of the only "losers" being those on the lowest incomes	Rejected by Government
Provide tax information for welfare benefit recipients	Enable pensioners to understand the tax position of their welfare benefits and facilitate correct treatment	No specific response
Rationalise rules for deducting tax from pensions income	Enable some pensioners to avoid having excessive tax deducted and simplify a complex area	No specific response
Government personal advisers on welfare benefits to check also on tax situations	Alert pensioners of tax issues that they should also consider; a positive contribution to joined-up government	No specific response
Establish a review group to consider: Rationalising thresholds for the higher personal allowance and MCA Safeguarding the position of pensioners in the event of the abolition of MCA and WBA Rationalising the tax treatment of welfare benefits and the problems of high marginal withdrawal rates of benefits/credits Introducing a tax exemption certificate Improving the law and practice affecting powers of attorney	Address in a structured and holistic way the major tax issues facing the pensioner population and move away from ad hoc tinkering with the existing position	No specific response to the idea of a review group although changes were announced in the Budget which indicate that there is a wish to rationalise parts of the system

Recommendations	***Benefits to be gained***	***Response***
Tax administration issues		
Appoint a senior Revenue official as the Older Taxpayer Customer Service Director	Appropriate customer focus on this large section of society	No specific response
A proactive role to be taken by the main tax office responsible for an older person	Better organisation of a pensioner's tax affairs reducing errors and volumes of correspondence	No specific response
Special training for PAYE staff to enable them to recognise the particular problems confronting pensioners	Improved customer service	No specific response
Additional discretion given to tax offices	Improved customer service	No specific response
Complete redesign of leaflet IR121 *Income Tax and Pensioners* and a review of its distribution	A comprehensive leaflet written to address the main concerns of older people on low incomes	The Revenue are conducting a "thorough review" of personal tax leaflets with IR121 as a priority
Local rate (or free) telephone calls to local tax offices or an immediate call-back system to be introduced	To remove the arbitrary costs that are imposed due to tax offices having been located for Revenue convenience in parts of the country remote from a taxpayer's home	No specific response
Greater use of reply paid envelopes	To reduce costs to pensioners who have to write more often than necessary, due to the way the Revenue manage their affairs	No specific response
Improve flow of information on state benefits between government departments	More timely and accurate codings leading to a reduction in underpayments for pensioners	No specific response
Extensively used leaflets and forms to be reviewed, updated, written in plain English, advertised and made readily available	To improve customer service for a segment of the population who like to read and understand	A review is underway of leaflets, the position regarding forms is not known
Complaints to be promptly and correctly identified and handled	To improve customer service in an area where considerable frustration is experienced by pensioners	No specific response
Extensively used leaflets and forms to meet RNIB specifications, be available in braille, audio and large print and should also describe the help available	To meet the responsibilities of the Revenue towards those with disabilities	No specific response other than as part of the leaflet review

Recommendations	*Benefits to be gained*	*Response*
Local offices to be familiar with Typetalk facilities and have equipment available for those with hearing difficulties	To meet the responsibilities of the Revenue towards those with disabilities	No specific response
Blind Person's Allowance to be more widely publicised	To enable many more people to claim this poorly publicised and little understood allowance	The Revenue are reviewing their approach and also considering a special leaflet
A revival of the Tax Back campaign by the Revenue in conjunction with banks and building societies	To encourage the estimated one million pensioners who overpay tax to reclaim their entitlement	The Paymaster General is considering a revival of the campaign for the year 2000
The form to obtain interest free of tax to be simplified and updated at the start of the tax year	To avoid pensioners being misled as to their entitlement to receive interest tax free	The Revenue are producing a simplified version which has been issued earlier than previous years
Banks, building societies and insurers should review their literature to assist pensioners to receive interest tax free	To avoid pensioners being misled as to their entitlement to receive interest tax free	Meetings are being arranged with representative bodies, LITRG and the Revenue
As from April 1999 a SA return should not be issued to a pensioner below the taper threshold (say, £16000)	To remove a distressing burden from pensioners on low incomes with simple tax affairs and save the Revenue £ millions in unnecessary administration	No response for 1999 but an undertaking to take some 200,000 pensioners out of SA for 2000
No audit to be started where the pensioner's income is below the taper threshold unless the Revenue have evidence of wrongdoing	An audit can be a frightening experience for older people and it is unlikely that significant sums of tax would be at risk	No specific response
Discretion to be given to local offices to ignore the non-completion of a SA return where one should not have been issued in the first place	To rectify the Revenue error with least trouble for the pensioner	No specific response
SA returns should only be sent back to pensioners for correction as a last resort	Improved customer service by talking through the issues	No specific response

Volunteering		
A widely drawn committee should be established to take forward potential pilot schemes for volunteering	Improved compliance, better Revenue image, significant cost savings and a better served pensioner community	The Revenue have "opened discussions around Whitehall" on the proposal