



GMB@ASDA STORES & DISTRIBUTION

GIVING YOU A VOICE IN ASDA

NEWSBRIEF *for* GMB MEMBERS

National Joint Bulletin July 2013 – No 1

UPDATE ON TAX UNDERPAYMENTS

Dear Colleagues

On 24th July 2013, GMB was contacted by HMRC nationally. As you can imagine, there was a heated debate with HMRC about who was responsible for the underpayment of tax. As we expected, the liability for the tax lies with the individual employee, but what HMRC could not adequately explain was who was responsible for the fact that there was an underpayment of income tax that was not properly communicated to Asda staff.

It appears HMRC have been giving conflicting advice on who they believe is responsible for all the problems and upset around the underpayment of tax. HMRC are now saying that the underpayment is due to "a quirk in the system that dates back to the 1940s".

We have told HMRC, in no uncertain terms, that this is totally unacceptable. At the moment we intend writing to the appropriate Government minister about this "quirk in the system" that has apparently not been resolved since the 1940s, despite the fact that it causes so much upset and anxiety for members.

The discussions with HMRC are continuing and they have now offered us a meeting. We want GMB Senior Shop Stewards involved in any meeting with HMRC. Members in Asda will, of course, be kept advised of developments.

We understand that some members have had letters demanding payment in August for any tax due. **However, HMRC have now confirmed in writing that they are not demanding that the tax be paid immediately.** HMRC are proposing to change peoples' tax codes for the tax year 2014/2015, which commences next April. This may be ok for some members, but for others we are demanding further concessions from HMRC. They have already said that if people will have financial difficulty paying back any money due over the tax year 2014/2015, they will be able to extend this. Again, members will be kept advised of developments.

What is abundantly clear is that HMRC and Asda knew that there was going to be a problem with the underpayment of income tax. This was not adequately communicated by Asda to all those affected. GMB therefore has a serious issue with the company about whether they applied due diligence in the management of tax deductions and, very importantly, their duty of care to you.

We will continue to pursue this line of enquiry with both Asda and HMRC.

Yours Sincerely

Mick Rix

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