



National
Trust

National Trust Tax Strategy

The National Trust has a duty to all of its members, supporters and external funders to ensure that it makes the very best use of its financial resources for the furtherance of its charitable activities. It also has a duty to the Charity Commission to demonstrate that the charity's affairs are managed efficiently and effectively.

Our tax strategy was approved by the National Trust's Executive Board, which reports to the Board of Trustees. The responsibility for implementing this strategy rests with our Fiscal Services Manager, who reports to the Group Financial Controller and to the Chief Financial Officer on both a regular basis and an ad hoc basis.

Our tax strategy is founded on the following ten key principles:-

1. We take a responsible, transparent approach to the management of our tax affairs.
2. We do not use contrived or artificial structures to reduce our tax liabilities.
3. We take advantage of all relevant tax reliefs and incentives that are available, but at all times we show respect for the intention as well as the letter of the law.
4. We actively seek open dialogue with HM Revenue & Customs (HMRC), HM Treasury and the Valuation Office Agency in pursuit of a professional and constructive working relationship.
5. An area of risk is the complexity of the tax system as it applies to the wide variety of business activities undertaken by the Trust over a diverse geographical area and managed by a large number of people. To mitigate this risk, our internal systems and processes have been developed to ensure that key decisions on tax issues are embedded into our decision-making process. There is a regular programme of Internal Audit review which selects key areas of the Trust's tax system for review, in conjunction with a firm of external advisors. We are committed to conducting our affairs in a way that maintains our 'Low Risk' tax classification, first awarded to us by HMRC in 2008.
6. We take an active role in contributing to the UK charity tax policy-making process, including the work of the Charity Tax Group and contributing to formal and informal consultations with HMRC, HM Treasury and other government departments such as the Office for Tax Simplification.

7. We require our staff to consult with the Fiscal Services Manager in all significant projects, acquisitions and developments, so that any potential tax consequences can be fully assessed in advance. Regular training courses are held for staff with a need to understand the complexities of the tax system, for example building surveyors and consultancy managers. The Fiscal Services Manager promulgates all relevant tax changes affecting the Trust.

8. With regard to particularly complex tax issues, we may seek external advice from reputable professional firms with specialist expertise in that area.

9. We never deliberately conceal or knowingly misrepresent issues to HMRC. If we discover errors, we disclose them without delay.

10. As a leading national charity, we are often regarded as setting the benchmark on charity tax matters. Wherever possible we consult with, and provide informal support to, a range of other charities in the heritage and conservation sectors.

May 2017