

BOOK REVIEW

Revenue Law - Principles and Practice by Chris Whitehouse

18th edition

The Inland Revenue have embarked on an ambitious project to rewrite our primary direct tax legislation to make it clearer and easier to use. They do not claim that the rewrite will simplify the legislation but they intend to restructure it to make it more logical and it will be in plain English. This is indeed good news for tax practitioners and all others concerned who have to trawl through tens of thousands of pages of convoluted tax legislation regularly. The project has been going on for a number of years and now their first Bill, the Capital Allowances Bill, is before Parliament and should be enacted to come in force in April 2001.

In the same vein the authors of this book say that "In writing this book [they] have tried to explain the principles and practical application of the tax system in simple language and have followed [their] belief that Revenue law can be made more comprehensible and human by the use of numerous examples." There are indeed numerous examples littered throughout every chapter in the book but do they actually make it any easier to understand? The answer is a resounding yes, I cannot think of an easier way to explain a tax concept than with an example and/or a diagram. Most newcomers to taxation may find it easier to grasp the intricacies of, for instance, how indexation and/or taper relief on a capital gain is calculated if there are worked examples.

The book covers all the main taxes and is split into three parts, the main one being Part A which covers income tax, capital gains tax, inheritance tax, VAT, business enterprise and stamp duty. This forms the bulk of the book and goes into in quite a lot of detail on the application and workings of each tax, both past and present. Each of the relevant heads of tax are well covered, for example, income tax is spread across eleven chapters starting with the general principles and finishing with the overseas dimension. Part B covers, in less detail, other non mainstream topics including tax planning, choices of business medium and tax repercussions of a matrimonial breakdown. The contents of Part C are included as appendices to provide further understanding and detail such as the basis of assessment for sole traders and partnerships, foreign exchange and pensions.

The book does achieve what it sets out to do, that is, explain the principles of revenue law, as at August 2000, clearly and logically. For students, and those who find

taxation a fascinating subject, who are looking for just one book to explain these general principles, then this may be the ideal book. It is a straightforward and well thought out guide to help its reader through the complexities of revenue law, and it has a decent index. The book is not, I think, aimed at tax practitioners but aimed at those who are either students of taxation or those who are new to that field. They should find this book very useful to gain an overall picture and a good working knowledge of revenue law.

Kevin Johns-Putra