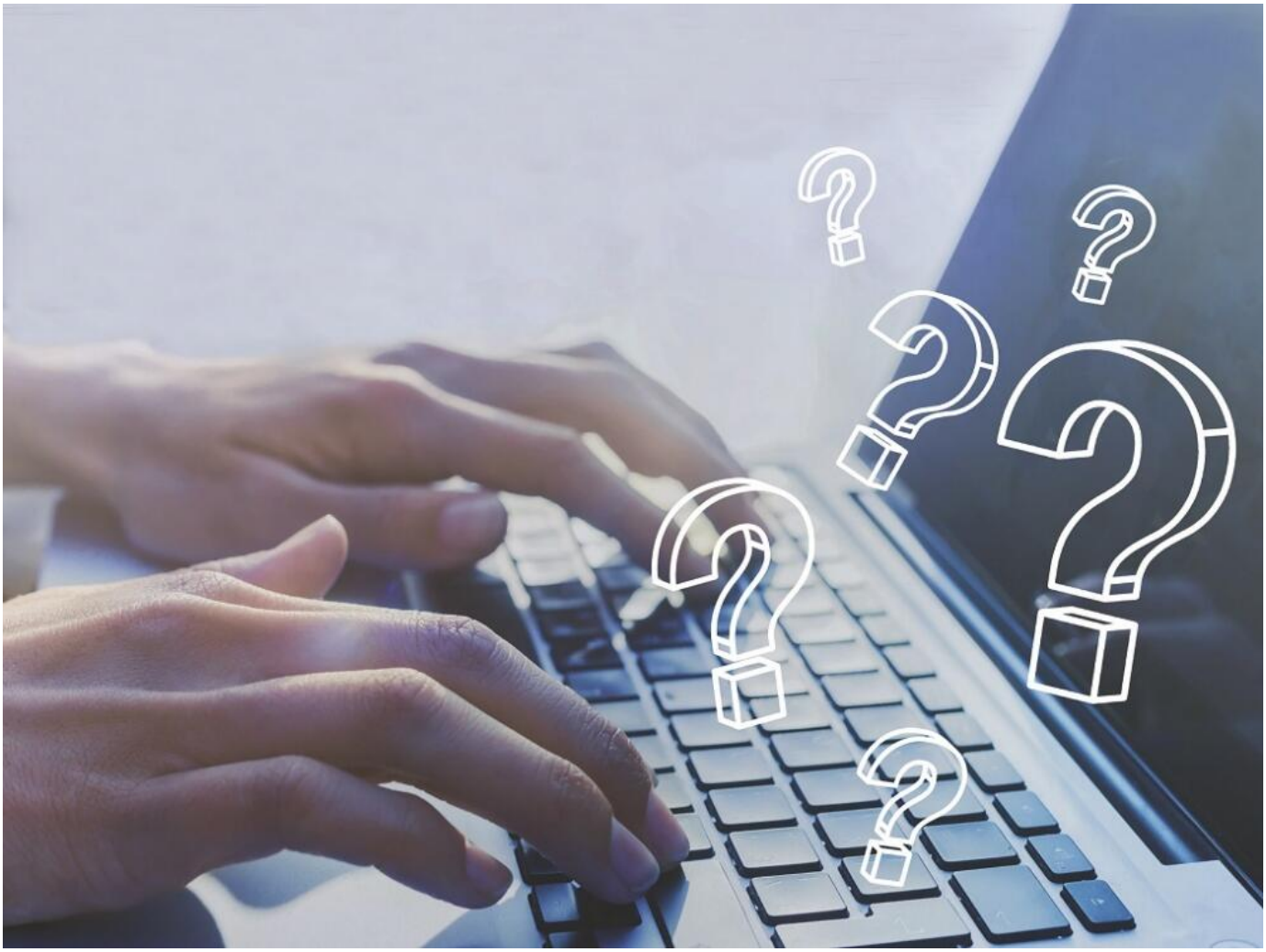
Online help

Management of taxes | Personal tax



01 August 2019

Meredith McCammond provides an overview of LITRG's technical website guidance

Key Points

What is the issue?

You might come across tax/benefit queries outside your immediate area of authorisation/expertise or get asked for help with issues by clients who actually can't afford to pay you for your services.

What does this mean for me?

It can sometimes be difficult to find the correct balance between assisting your client in these situations and leaving them in the lurch – but help is available.

What can I take away?

Via the LITRG website, there is a free, detailed source of general tax and tax credit information available for you to direct your clients to, that can act as a starting point for them being able to deal with the issue themselves.

An overview of LITRG's technical website guidance – main text

The remit that the Council of the Chartered Institute of Taxation (CIOT) gave to LITRG when establishing it in 1998 was: '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.'

In pursuing the first part of this remit (the bit in italics), we have developed a website that offers free information in plain English on aspects of the tax and related welfare systems that are relevant to individuals on lower incomes.

www.litrg.org.uk

Initially, our intention with our website was to plug gaps in HMRC's own material, but much of HMRC's material was lost when it moved to GOV.UK. As a result, our technical guidance has grown significantly in recent years and the number of website visitors along with it – from a few thousand when we started out, to several million today.

Our technical information is split into easy-to-use tax guides, including: tax basics, employment, self-employment, migrants, pensioners, and tax credits and benefits. In our tax basics guide, for example, we have pages including 'Introduction to the

tax system', 'How is my tax collected?', 'Digital services – dealing with your tax and tax credits online' and 'Enquiries, penalties, appeals, complaints and debt'.

Information on each page is broken down into question and answer style, as we try to anticipate the questions that taxpayers are likely to be asking themselves. This helps to make the content approachable and also provide important context.

While we are aware that that in many places, GOV.UK has made things 'simpler, clearer, faster' for taxpayers (indeed we link to GOV.UK where we consider it is helpful), we are conscious that the 'sparing' GOV.UK approach to tax guidance can cause problems for unrepresented taxpayers. As such, when writing our own technical content, we are driven by the following principles:

Detailed

We recognise that guidance aimed at informing non-tax specialists about the way in which rules work needs to be different from that aimed at specialists. However, we also recognise that such guidance should be sufficiently detailed to (a) inform people about anything they may be entitled to claim (reliefs, allowances, exemptions, etc.) while (b) ensuring that they are alerted to any legal or procedural requirements that could carry a penalty if they did not comply or result in a relief being withdrawn.

There are many examples on GOV.UK where, in an attempt to reduce complex technical language and concepts to simple terms, accuracy is sacrificed. One example is with the marriage allowance. One condition to be satisfied in order to claim the marriage allowance is that neither member of the couple pays tax at a rate higher than the basic rate. However, the narrative on the GOV.UK application page reads: '*To benefit as a couple, you need to earn less than your partner and have an income of £12,500 or less.*'

This is incorrect, and is no doubt stopping eligible people from making claims that could improve their financial position, for example where one spouse's income is mainly made up of dividends and the basic rate of tax is 7.5% rather than 20%. We have spoken to HMRC's GOV.UK guidance team about the need for some more detailed 'second tier' guidance on the marriage allowance and hope this will appear soon.

While no 'guidance' can ever be perfect as it is not a substitute for individual advice, we do try to ensure that something is not presented as being the whole story if it is

not. Where there are exceptions or complexities, we endeavour to flag this and to provide clear signposts to more help – this may be HMRC manuals and/or a pathway to further support from TaxAid or Tax Help for Older People.

Use of examples

The use of examples is widely recognised as an essential part of 'good' guidance. While examples are often used to help explain complex or nuanced areas, they can also be very helpful in explaining fundamental concepts – such as tax codes or rates and allowances.

We get a significant number of queries demonstrating that fundamental tax concepts are often not understood. For example: '*I started work in November... and I have been told I may be allowed a tax rebate because of an allowance of earning a certain amount before paying income tax.*' We try and address this by tailoring our guidance to our audience and through our use of examples. This then provides a solid foundation on which more advanced or sophisticated information can be added.

Holistic

It is impossible for those on low incomes to consider their overall financial position without understanding their tax position, their welfare benefits position and how the two systems interact. Guidance on issues that are likely to be relevant to those on low incomes needs to look across both systems and we try to ensure that our tax and welfare guidance cross-refers and is joined up as far as possible.

For example, someone might have successfully determined that a small amount of income they have made from selling things online falls under the trading allowance. But does it count as income for tax credits? What about universal credit? Our trading allowance information provides those answers.

Up-to-date/on-trend

Out-of-date guidance can be inaccurate and misleading. We update our website both in the run up to the next tax year and also on an ad hoc basis – for example, where internally, or via feedback provided by website users, we identify an area of guidance that needs correcting or updating for recent changes. We are always

grateful to those who point out any changes that are required, as this helps to improve our content.

By on-trend, we mean that guidance should be *relevant* for people – it needs to evolve as trends emerge. For example, despite the fact that the vast majority of agency workers are now told by agencies to work through umbrella companies, there is a lack of information on GOV.UK for workers explaining or even acknowledging the presence of umbrella companies in most agency supply chains.

Our own guidance for such workers tries to counter this, giving them practical information that they can hopefully use and apply to the circumstances before them.

What else can I find?

There are also clear and easy-to-understand factsheets to download and print on many key/tricky subjects (such as on the savings and dividend tax allowances, the P800 process and payments on account) and other useful resources such as videos, annotated forms, introductory flipbooks and sample letters.

A regular news feature means the most up-to-date technical and related administrative matters are highlighted. For example, we have recently posted a series of articles designed to try and inform people about the loan charge. You can subscribe for our news updates on our website.

The website also contains a section on dealing with HMRC, particularly if you have additional needs or need enhanced support.

We also have a 'contact us' facility. As well as receiving comments that help us with the campaigning aspects of our work, we often receive requests for help. LITRG is a committee of the CIOT so we do not give advice ourselves (leaving that job to members of the CIOT and the ATT!), we nevertheless aim to reply to everyone who contacts us. Normally this involves signposting people to general information that we think will be helpful or to further support if needed.

Final thoughts

We hope this article has given you an overview of the help that people are able to find on our main website and that you will consider using it and sending your clients to it, where appropriate (if you are not already doing so!).

A quick caveat: we are a small team with limited resources – our website is aimed at people on lower incomes and mainly covers areas of the system that we consider may be most relevant to them. It is not possible (or desirable), for our website to reflect the entirety of tax law. That said, we often hear feedback from members that they find the website extremely helpful in their work, especially for areas of tax that they don't deal with day to day, and some even use it for training within their firm.

If we do cover an area, then we try our utmost to ensure our material is as accurate and thorough as possible. To this end, if you have any feedback on our website or if you do not think we have covered something we should have, please do contact us.

Our other websites

Originally set up with the aid of an HMRC grant we have two other websites:

- Disability Tax Guide (aims to support disabled people who take on a carer and thereby potentially become an employer); and
- Tax Guide for Students (does what it says on the tin!).

We have had a separate agreement with HMRC each year since 2010/11 to develop and maintain our RevenueBenefits website for advisers on HMRC's paying (as opposed to collecting) function, covering chiefly tax credits, child benefit and (more recently) the transition to universal credit. The technical solution for this website is delivered by the London Advice Services Alliance (LASA). The site won a Tolley's Taxation award for best technological innovation in 2012.