Personal Tax Account: an update

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The Low Incomes Tax Reform Group reports on current status of the personal tax account and requests feedback.

The personal tax account has been around since 2015. Early indications were that this was part of a plan to introduce Making Tax Digital for individuals, but the personal tax account has continued to develop while a starting date for Making Tax Digital for income tax is still be announced. More than 20 million personal tax accounts have now been set up and HMRC report that satisfaction rates are high. But that satisfaction rate is only after the individual has accessed the personal tax account. There are still concerns that accessing the personal tax account is cumbersome and takes too long.

It seems that people access their personal tax account when there is something they wish to check or to change and this is no surprise. Browsing one's personal tax account does not sound like fun! The most popular things people do in the personal tax account are:

- check tax credits payments or report changes of circumstances;
- check their tax code and tax code history; and
- claim a repayment following the issue of a form P800, although many people fail to complete all of the necessary steps, often stopping at the stage where they are asked to input bank account details.

HMRC want to develop the personal tax account so that people can self-serve better. This frees up HMRC staff to deal with other matters, but also normally means that the taxpayer gets their desired outcome earlier. It would be useful to get your feedback on the personal tax account in the following areas:

- What improvements would you like to see in the process of accessing the personal tax account?

- How easy is it for you to find what you are looking for? If you can provide us with examples of things that have not been easy to find, we can take this up with HMRC.
- What additional functionality would you like to see in the personal tax account?
- Are your clients using their personal tax accounts? And, if so, is that causing you issues?
- Are you and/or your clients unsure as to whether a function is available in the personal tax account or the business tax account instead?
- What might encourage you or your clients to use the personal tax account more?

Alongside the personal tax account, HMRC are developing the HMRC app. This is currently particularly popular with tax credits claimants, but is to be improved to give more functions.

As far as customer service is concerned, HMRC still prioritise phone calls over webchat and email, but this is being kept under review. If you or your clients have suffered delays after requesting changes via the personal tax account (for example, a change to a coding notice), please let us know at LITRG@ciot.org.uk.