Applying the agent lens to digital services

General Features

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A new group to bridge the gap between tax policy and implementation has been created and its first priority will be to look at the approach to agent authorisation for new digital services.

Understanding tax law is one thing, complying with it another and, after determining the client's tax obligations, the agent needs to communicate the result to HMRC. For a complete client service, this means that agents want to use HMRC's digital reporting routes efficiently and effectively. Following feedback from a number of bodies, and the expansion of HMRC's Agent Strategy team, a new group has been created to help bridge the gap between tax policy and implementation. The Agents Digital Design and Advisory Group (ADDAG) will look at the development of digital services from the agents' perspective.

ATT and CIOT representatives attended the first meeting in November to feed into the objectives and priorities of the group. The most pressing concern identified was the process of agent authorisation – how a taxpayer appoints an agent to act for them.

For new services, HMRC is developing digital authorisation routes in place of the current, paper-based, 64-8 process. While more efficient in many ways, digital routes require the taxpayer to create a Government Gateway account as part of the authorisation process, which can be a struggle – or simply impossible – for some taxpayers. Furthermore, because services are developed by different teams within HMRC, the steps taxpayers must follow to authorise their agent are not consistent.

From the ATT and CIOT perspective, it is crucial that digitally challenged taxpayers are able to appoint an agent easily and that all authorisation processes follow a clear and consistent approach.

From HMRC’s perspective, the authorisation process needs to give their staff the confidence that they are sharing information with the correct agent and that they are protected from unintentionally breaching the general data protection rules.

Given the timescales involved, the group identified the development of the new 30 day capital gains tax reporting service and the existing Trust Registration Service as further priorities. The new standalone service for capital gains tax to enable taxpayers to report relevant property disposals within 30 days of completion needs to be in operation by April 2020, while a major increase in the number of trusts that will be required to register on the Trust Registration Service is also expected in 2020.

In the longer term, the intention is that the group should be involved in the early stages of the development of new digital services. By establishing a critical path for the development of future services with HMRC, it should be possible to identify the key points in development where the agent perspective is needed.
We are always happy to hear from members about their experiences of interacting with HMRC digitally. Please contact us directly on the email below or on atttechnical@att.org.uk or technical@ciot.org.uk.