# September: Technical newsdesk

**Welcomes**

22 August 2022

As some of you will be aware, I used to be a VAT specialist, and I try to maintain an active interest in the topic. You will also have seen me reporting on our significantly increased level of engagement with HMRC during and since the pandemic. These two elements collided recently when the new VAT Registration Service (VRS) went live on 1 August, with little forewarning, resulting in a flurry of activity to help agents navigate the new process.

Last November, HMRC announced in Agent Update 90 (tinyurl.com/4663ey6p) forthcoming changes to the VRS. In particular, the new service would be extended to agents, and further updates would be provided to enable them to prepare for the new system. In January, we attended a bespoke meeting of the Agent Digital Design and Advisory Group (ADDAG), which focused on the new VRS. HMRC walked us through some of the screens, giving us the opportunity to ask questions and provide feedback, which we did. HMRC said they would provide more information in the coming months.

It was news to us, therefore, when HMRC announced in Agent Update 98 ( tinyurl.com/ywdymvbh), released on 20 July, that the new VRS for agents would go live on 1 August, which was just eleven days later. There had been no further engagement prior to this, no communications from HMRC, nor had guidance been updated.

Unsurprisingly, considerable teething problems arose. We (and others) are working with HMRC to bring some clarity and to address the difficulties being reported by numerous members. Considering our generally close relationship with HMRC, the feedback provided at the ADDAG meeting, and the user testing which has apparently taken place, it is difficult to understand this lack of communication, and the flaws in the new system.

HMRC are arranging a further ADDAG meeting about the new VRS, which will take place this month. In the meantime, the CIOT and ATT will continue to publish guidance and updates (see www.tax.org.uk/technical-news/1 and www.att.org.uk/news respectively).

Users of the trust registration service, or the report and pay capital gains tax on UK property service, will be feeling a sense of déjà vu, having experienced similar problems with these new services.

It is important that we also investigate what went wrong during the roll-out of the new VRS, so we can try to prevent a repeat occurrence with the next new digital process.