# Making tax easier and digital tax accounts

**Management of taxes**

04 December 2015

An update

Further to our report in September's Technical Newsdesk, we have recently met HMRC to discuss their initiative, Making Tax Easier, and we are able now to update members.

In March 2015 Treasury minister David Gauke said in *Making Tax Easier: The end of the tax return*:

> 'By early 2016, five million small businesses and 10 million individuals will have access to their own digital tax account, and by the end of the next parliament every individual and small business in the UK will have one. The digital accounts will be simple, secure, personalised to the taxpayer and accessible through the digital device of their choice. As time goes on, they will offer more and more services.'

Members may have wondered whether by 31 January 2016 taxpayers would be able to access any information in these digital accounts that might help in preparing 2014/15 self-assessment tax returns. In fact, we understand from HMRC that 'by early 2016' means 'by March 2016', so the new digital tax accounts will not be relevant to preparing 2014/15 returns.

However, HMRC are expanding the information you can get from your client's online self-assessment account to include pay, tax and P11D details. This will be ready in time for the peak January 2016 filing season and should help agents in completing 2014/15 tax returns without having to contact HMRC. Work is also under way to pre-populate HMRC's version of the online self-assessment tax return, using pay, tax and P11D details the Revenue already hold, with some pre-population taking place

before the end of January 2016 and commercial software following after April 2016.

More details can be found on page 12 of *Agent Update issue 50*.

The new personal digital tax account is now in private beta testing. We understand that the account provides:

- the ability to view your personal details (name, National Insurance number, and address);
- a tax estimate service telling you how much tax you will pay through PAYE, and allowing you to check the information on which your estimate is based – replacing the paper P2 tax coding notice; and
- links to income tax-related online forms on GOV.UK

More information is available on the HMRC digital blog.

If you would like to take part in the testing contact HMRC at personaltaxaccount.feedback@hmrc.gsi.gov.uk

We expect further announcements soon about digital tax accounts and making tax easier for small businesses.