New advanced digital signature requirement from 6 April 2025

General Features



24 March 2025

From 6 April 2025, agents who want to nominate themselves to receive certain refunds on behalf of clients will need to use an advanced electronic signature solution. Only agents with digitally excluded clients or who do not use nominations will be able to use wet signatures on forms.

Per HMRC's guidance, (see tinyurl.com/yc6dwyjf), an advanced electronic signature is a specific type of digital signature that must:

- be uniquely linked to the person signing the data in electronic form and be capable of identifying them;
- give the person signing sole control of the signature data; and
- be able to detect any changes made to the signature data afterwards.

From 6 April 2025, advanced electronic signatures are the only standard of digital signature that HMRC will accept if agents receive income tax or PAYE repayments on

behalf of others using a nomination for P87, R40 or Marriage Allowance print and post forms. In practice, we think HMRC will therefore expect these agents to complete and send the forms digitally/electronically to clients for approval. Clients will have to sign the forms/nominations digitally using the advanced electronic signature solution and will either forward to HMRC or return to the agent for onward submission.

Handwritten (wet) signatures will only be accepted by exception for clients who are digitally excluded and have informed HMRC prior to signing the nomination. We understand that HMRC intend to define digital exclusion narrowly – as UK adults who never use the internet (this group includes lapsed internet users, as well as those who have never used the internet). However, we are awaiting confirmation.

We are also awaiting information from HMRC on:

- what evidence clients might need to provide to vouch their digital exclusion;
- whether a marker will be put on their HMRC record and, if so, the impact of that across the system; and
- how HMRC want the 'notification of digital exclusion' process to work.

From an agent's perspective, they will need to keep evidence of sign-up to an advanced electronic signature service solution in the form of a headed letter or email invoice detailing their company purchase, or an email confirming that their company has purchased an advanced electronic signature solution.

HMRC may want to check that agents have a solution in place. Agents may therefore need to provide this evidence upon request to HMRC. No further refund claims will be processed until the requested evidence is provided. HMRC may also ask agents to provide evidence of specific customers' claim authorisation using the advanced electronic signature solution as part of routine compliance checks by the Agent Compliance Team.

If you have any feedback on this HMRC initiative or if you think this is going to cause difficulties for you or your clients, please let us know.

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