

LITRG calls for carrots, not sticks on digital shift

Briefings



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CIOT's Low Incomes Tax Reform Group (LITRG) is encouraging the new tax minister to focus his efforts on building good quality digital services, encouraging people to use them and supporting them to do so, rather than adopting measures that push users towards digital self-service, such as the 2023 closure of the self assessment helpline and SMS deflection tactics. It calls this 'prioritising the "carrot" over the "stick"'.

In a letter to the new minister, Head of LITRG Victoria Todd warns that reducing support for taxpayers via phone and post, before digital services are at the standard required to provide the support needed and are accessible by all, risks damaging trust in the tax system and harming compliance.

In the letter, LITRG also say that more work needs to be done to measure the quality of interactions between taxpayers and HMRC, including whether taxpayers get the right answers, and to ensure that the HMRC Charter is embedded across the

organisation and that HMRC are held to account against it.

LITRG also expresses concern that, as yet, it is unclear what HMRC's customer support model will be for unrepresented taxpayers under Making Tax Digital for Income Tax. A soft landing on penalties would help people get used to the new system, suggests Victoria.

Read the full letter at: tinyurl.com/litrg-new-xst