



HM Treasury, 1 Horse Guards Road, London, SW1A 2HQ

All MPs

Dear Colleagues

Helping your constituents get their Income Tax Self Assessment right

The run up to the 31 January Self Assessment filing deadline is one of the busiest times of the year for HMRC and it's 12 million customers who will need to file a Self Assessment tax return for the 2022 to 2023 tax year. As the new minister responsible for the UK tax system, I thought it would be helpful to share information on Self Assessment, which you and your offices can use to support your constituents at this busy time.

Help and support is available

It's often quicker and easier to go online or to the HMRC app to get the Self Assessment help and support customers need to file and pay their tax return online. The HMRC app is used by 1.2 million customers each month and has a 4.8/5 rating on the App Store.

On 11 December, HMRC introduced new measures to direct customers to their online services wherever appropriate. This change allows advisers to focus on answering priority calls that cannot be handled online. Around two-thirds of calls to the SA helpline can be resolved far quicker through HMRC's online services.

The annex below provides more details about:

- Changes we have made to how to get Self Assessment help and support
- Who needs to file a Self Assessment tax return
- Schemes to help with tax payment
- Self Assessment penalties and charges, and the
- Appeals process

Please do share this information with your constituents if queries are raised regarding the Self Assessment process. HMRC wants to work with customers to ensure a smooth and efficient Self Assessment experience for the coming deadline.

Yours sincerely,

Nigel Huddleston MP
FINANCIAL SECRETARY TO THE TREASURY

Annex A – More information about HMRC help and support

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1. Changes we have made to how to get Self Assessment help and support

HMRC are modernising the tax system to allow more customers to self-serve and access the information they need online. They are continuously expanding online and app services to enable customers to do this more and more.

Last year HMRC received more than three million calls on queries that can easily and simply be done online: resetting an online password, getting your tax code and finding your National Insurance number. That's the same as 500 people working full time to answer just those calls.

Increasingly, they will expect customers to use digital services where they can. These changes will improve customer service levels without spending additional public money.

More information is in the Q&A below.

2. Who needs to file a Self Assessment tax return

HMRC has a wide range of resources to help customers file a tax return including an online tool to help check if you need to send a Self Assessment tax return. Any customer who thinks they do not need to file should take action and notify HMRC as quickly as possible. If HMRC agrees that they do not need to file, they will withdraw the notice and remove them from Self Assessment.

Even when there is no tax due, there are good reasons why customers sometimes need to file returns. For example, they may wish to pay voluntary Class 2 National Insurance contributions to build entitlement to contributory benefits like the State Pension or to claim losses which can be carried forward into future tax years, or they may need to preserve their record of self-employment to support an application for Maternity Allowance or to claim Tax Free Childcare.

3. Schemes to help with tax payment

HMRC take a supportive approach to dealing with customers who have tax debts and do everything they can to help those in short-term financial difficulty to get out of debt. Customers may be able to set up a payment plan through time to pay arrangements - How to pay a debt to HMRC with a Time to Pay Arrangement

Alternatively, customers can set up a Budget Payment Plan to make regular monthly or weekly payments towards their next tax bill. To use the Budget Payment Plan, customers will need to be up-to-date with previous Self Assessment payments - Customers can check which payment plan is appropriate to their circumstances

4. Self Assessment penalties and charges

HMRC will send a penalty notice if customers do not:

- file their tax return on time even if they do not think they owe any tax – the deadline for filing online tax returns is 31 January 2024
- pay their tax on time – the payment deadline is 31 January 2024, and for those with payments on account it is 31 January 2024 and 31 July 2024
- tell HMRC about changes that affect their tax liability or take reasonable care when completing their tax return.

HMRC does not want to issue penalties and regularly reminds customers that the easiest way to avoid them is to file their tax return and pay tax on time. The statutory obligation to file a return and the obligation to pay tax are separate, falling under different penalty regimes which can quickly mount up. It is important customers take action quickly to avoid further charges.

An initial late filing penalty of £100 is automatically imposed when a taxpayer fails to file on time, and further penalties are triggered later if the return remains outstanding. As with other tax penalties, these aim to encourage customers to comply with their obligations, act as a sanction for those who do not, and reassure those who do comply that they will not be disadvantaged. Taxpayers who pay late will also be charged interest on the tax they owe, which will increase as time goes on.

5. Appeals

Customers who believe they have incorrectly received a penalty can appeal within 30 days of the penalty being issued. HMRC includes a letter with the penalty notice which explains how to do this. Customers can also check online how to appeal against a penalty if they disagree with a tax decision. If a customer has a reasonable excuse for not filing or paying on time, HMRC may cancel the penalty. If HMRC considers that the penalty should stand the customer has the right to appeal to the Tribunal.

6. Changes to how to get Self Assessment help and support: Q&A

What's changing exactly on the Self Assessment helplines and why?

From 11 December – 31 January, HMRC will only handle Self Assessment calls relating to returns, repayments and complex matters, and calls from vulnerable or digitally excluded customers. Calls on all other queries will be directed to online services including digital assistant webchat.

This is a busy time for customers who want to get their taxes sorted. Directing those with simple queries to online services, where they can be resolved more quickly, will ensure telephone advisers are available to help customers with complex queries or those who genuinely cannot get online.

HMRC continually reviews its services to see how they can better serve the public. They recognise customer services have not been good enough recently and are taking steps to

improve them. These changes will improve customer service levels without spending additional public money.

At the same time, they will direct those customers who can, to use HMRC's highly rated online services and app. They're adding new online services and improving existing ones all the time. Check the HMRC app or online for regular updates.

How will HMRC support the digitally excluded? Those with disabilities?

The vast majority of Self Assessment customers use HMRC's online services with 97% filing online. Customers who choose to file by paper can do so. The paper filing deadline was 31 October.

A key aim of these changes is to free up capacity for the digitally excluded and others who need urgent one-to-one support from advisers - such as the vulnerable or those with complex queries. This is why HMRC must encourage more customers to use their highly rated online services and app. These changes will improve customer service levels without spending additional public money.

Customers who are unable to access online services or interact digitally will be supported by HMRC's Online Service Helpline.

HMRC recognises that some customers may need extra support. The Extra Support Service team are specially trained to deal with vulnerable taxpayers. HMRC also monitors calls and correspondence to identify customers who may need extra help. This could include difficulties caused by their confidence, access, emotional state, mental health, capability, difficulties in understanding what they need to do, and disability. [Detailed guidance on how to get help can be found on GOV.UK.](#)

What digital services are HMRC releasing, and when?

HMRC are adding new online services and improving existing ones all the time. Check the HMRC app or online for regular updates.

HMRC knows that many customers prefer to solve their issues online because it's more convenient. Online services are available 24/7, except webchat, and customers can use them quickly without having to wait on the phone. Online services have customer satisfaction rates of above 80%.

HMRC's online help is also very effective – in over 50% of customer interactions with HMRC's digital assistant, the assistant successfully helps customers find the information they need. If it can't find the answer, it connects the customer to a webchat adviser. Online guidance on GOV.UK also helps millions of customers.

Is this a permanent change?

These changes are for the duration of the Self Assessment peak, which ends on 31 January 2024.

Can you give examples of the main things people call HMRC about which they could do online?

HMRC has identified a number of reasons for a call that are better dealt with online because there are good quality, easy to use online services available. These include:

- What's happening with my Self Assessment registration?

- I don't understand my Self Assessment Statement
- Can I have my Unique Taxpayer Reference (UTR)?
- Have you received my Self Assessment payment?

What happens when a customer is deflected?

Customers will be directed to the relevant online help and support via SMS text messages. If customers have queries after reviewing online guidance, HMRC will offer support through their Digital Assistant in the first instance. The Digital Assistant directs callers to webchat advisers where it cannot answer questions: webchat advisers can answer all the same queries as phone advisers.

What happens if someone is very insistent that they speak to an adviser?

Customers who need adviser support to get online will be directed to Online Help Services. Customers with queries that need support will be able to speak to an adviser on the phone or webchat. We will not prioritise a straightforward query which can be answered online simply because a customer insists. We need to allocate our expert advisers to the customers who need them the most.

What happens when they go through to a web chat adviser?

Is it a real person who can help in exactly the same way a call adviser can?

Yes, our webchat service is handled by our advisers. Requests to access a webchat are first routed through a Digital Assistant who will try to help the customer find the answer they are looking for from within our comprehensive GOV.UK guidance.

However, if their query cannot be resolved they will be directed to a webchat where available and one of our advisers will pick this up and work with the customer to resolve the issue.

Are agents getting a preferential service?

No, whilst agents have a dedicated contact channel, they do not get a preferential service. The only difference is that advisers on the Agent Dedicated Helpline (ADL) have a higher level of tax knowledge and are more experienced at dealing with the type of complex queries that agents raise.

Call management on ADL is like our other helplines, with wait times reflecting demand at any one time. We expect agents to self-serve wherever they can and are continuing to make it clear that our contact channels should be for complex or urgent tax related queries.

In line with the changes to our main helplines, we are also streamlining our service on the ADL during the Self Assessment peak.

Do HMRC expect to issue more penalties?

Customers have been able to file their return since April and HMRC encourages customers to file early. Online returns received after the 31 January deadline may be subject to late filing penalties, but customers have a right of appeal in which all facts and circumstances would be considered.

