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THE TAX ADMINISTRATION FRAMEWORK REVIEW – CREATING INNOVATIVE CHANGE THROUGH NEW LEGISLATIVE PILOTS

Response by Association of Taxation Technicians

1 Introduction

- 1.1 The Association of Taxation Technicians (ATT) is pleased to have the opportunity to respond to the HMRC discussion document *The Tax Administration Framework Review – Creating innovative change through new legislative pilots* ('the Consultation') issued on 27 April 2023¹.
- 1.2 The primary charitable objective of the ATT is to promote education and the study of tax administration and practice. We place a strong emphasis on the practicalities of the tax system. Our work in this area draws heavily on the experience of our members who assist thousands of businesses and individuals to comply with their taxation obligations. This response is written with that background.
- 1.3 We welcome the early engagement from the policy team on this novel approach. This response is based on the proposals as set out in the discussion document above, together with additional information from the meetings held with professional bodies in June 2023 and November 2022. The June meeting was helpful as a number of key points were introduced which were not fully developed in the discussion document.
- 1.4 It is important that HMRC has the ability to fully test new systems and processes in order to produce a tax system which is effective and efficient for taxpayers, their agents and HMRC. The systems developed to implement a number of recent policy changes (for example, the new VAT registration service, CGT on UK Property Service, the Trust Registration Service, the introduction of the agent-client digital handshake and MTD for VAT) have each caused problems for all three groups. We can see that it might be helpful to test new ideas or processes on smaller groups before expanding to the wider population. However, we are yet to be convinced that the proposed approach of legislative sandboxes is the next step in solving the problems of testing new systems. There are a number of other aspects of the process of testing and developing policy which we think could be usefully explored and developed, with more time spent on policy design, supported by thorough consultation, before testing of systems and processes commences.
- 1.5 We also did not have the opportunity to explore who will be proposing the changes to be tested. Will legislative sandboxes be used to test Government policies before a wider roll out in order to refine a policy which has

¹ <https://www.gov.uk/government/consultations/the-tax-administration-framework-review-creating-innovative-change-through-new-legislative-pilots/the-tax-administration-framework-review-creating-innovative-change-through-new-legislative-pilots>

already been consulted on, or allow for HMRC to propose and test new solutions to problems which the Government might then adopt? We think this needs further clarification. We consider that anything which is to be tested on taxpayers in this way, with their actual tax affairs, should be consulted on publically prior to implementation.

- 1.6 One way in which we think this approach could be more usefully used is to protect those who cannot immediately access HMRC systems on launch. Instead of a testing sandbox, this would be a *shielding* sandbox, giving HMRC the powers to grant exemptions or exclusions for those who can't immediately access new systems or processes. We have expanded on this idea at 2.12 and made a number of other wider comments in section 2.
- 1.7 If the proposals are introduced, we agree with the Chartered Institute of Taxation (CIOT) that participation should be voluntary, participants (and their advisers) should be compensated for any costs incurred as a result of being in a legislative sandbox or 'pilot' and no one in a pilot should end up at a disadvantage compared to taxpayers outside of the pilot in time costs, monetary costs and tax incurred. If the pilots are made compulsory, then we consider there should be permitted opt outs, as currently provided for in jury service, and financial compensation for additional costs should be guaranteed. In either case, we consider an independent oversight board would be a welcome safeguard.
- 1.8 In this response, we have made some general observations in section 2, followed by comments under the following headings, which broadly follow the suggested areas outlined in the discussion document.
 - Section 3: Benefits and challenges
 - Section 4: Safeguards
 - Section 5 Show case
 - Section 6: HMRC activity
 - Section 7: Participant support and oversight

2 General observations

- 2.1 We appreciate that developing new policies and processes is not easy, and we are pleased to see HMRC looking for ways to improve how this is done. A tax system which is easier to use should result in better outcomes for taxpayers, agents and HMRC. We understand from the June meeting with HMRC that the sandbox idea is currently 'blue sky thinking' with the view to develop 'another tool in the box' and a 'platform for more engagement'.
- 2.2 It would be helpful to take a step back from this specific idea to look in more detail at some of the problems experienced by taxpayers, agents and HMRC as a result of some recent policy/operational changes and whether there are other changes to policy making processes which might help to achieve better outcomes. There are other steps which could usefully be taken with *existing* processes to improve the process of launching new policies or services.
- 2.3 During discussions, we (and others) requested examples of situations where HMRC has been constrained by current law from completing a pilot or was unable to test a new policy as they would have wished. Such examples might have helped us to better understand the potential merits of the proposals. It is disappointing that no specific examples could be provided. The main, generic, example shared in the meeting was that there is a risk that people in any pilot under existing rules may have to register and provide data twice— firstly under the pilot and again when systems go live. While it would be helpful if trial data could be carried over to final systems, further, more compelling examples are needed to better articulate the need for legislative sandboxes.

2.4 **Developing policy and systems together**

In our previous response to the consultation, *Tax Administration Framework: Supporting a 21st Century Tax System*² we highlighted the importance of developing legislation not just by policy staff, but jointly with those with the relevant knowledge and experience of HMRC's systems. Developing policy with a much clearer eye on the implementation process should help to ensure that there is adequate focus on what can be effectively, practically, and economically achieved with HMRC's complex systems.

2.5 In support of the view that implementation and policy need to be developed together, our response cited HMRC's performance developing the various Covid support packages such as the Coronavirus Job Retention Scheme and the Self-Employed Income Support Scheme (SEISS). We understand that, due to necessity, both IT and policy teams were in the room at the same time during development, ensuring that only those policy ideas which could be effectively implemented were taken forward in a relatively short time. The SEISS scheme in particular looked for qualifying taxpayers to test the live system before it was opened up fully. The incentive for these taxpayers was that they received their funding earlier.

2.6 In contrast, we were informed that when measures to bring forward the payment of Capital Gains Tax on UK residential property were proposed, it was intended that the relevant mechanism would be part of the existing Personal Tax Account and self-assessment systems. It was only discovered *after* the additional cash flows had been included in the Government's forecasts that this was technically impossible. As a result, the CGT on UK Property Reporting Service was developed as a free-standing service which has its own separate authorisation system for agents and integrates poorly with self-assessment services. If the policy had been developed with a greater understanding of the technical limitations of existing systems – or if more attention had been paid to concerns about the principles of the policy during consultation - this could, perhaps, have been avoided.

2.7 Since its launch in 2020, we have received almost universally negative feedback from members who have struggled to assist their clients through this cumbersome and unintuitive system. For example, because the UK Property Reporting service and self-assessment systems do not interact, taxpayers or their agents have to contact HMRC for refunds when overpayments are made. Due to the creation of a separate system, this process cannot be automated. As at July 2023, we have received reports that such refunds are taking 20 weeks to process. A badly conceived policy, together with a lack of consideration of the limitations of HMRC's existing systems, has resulted in significantly more work for taxpayers and agents without the benefit of any additional tax for the Treasury.

2.8 **User testing**

HMRC works hard to recruit volunteers to carry out user testing and many of our members have volunteered in recent years to take part in testing including co-design workshops, the CGT on UK Property Service, Digital Disclosure Service (DDS) and Trust Registration Service. While this testing is useful, in that it is very much focused on the user *experience* (i.e. is it clear which box to tick or where to go next) feedback from our members is that this feels cosmetic.

2.9 The researchers carrying out the testing are knowledgeable about the user experience but rarely, if ever, have any detailed tax knowledge. This means that it can be difficult for our members to explain problems if the proposed system doesn't do what it needs to because it is not consistent with tax rules or does not make sense to those familiar with tax law. For example in the DDS testing many raised the issue that the calculation of interest causes much correspondence between agents and HMRC, wasting valuable time for what can be merely pennies

² <https://www.att.org.uk/sites/default/files/210712%20The%20Tax%20Administration%20Framework%20-%20ATT%20response%20WEB.pdf>

of difference. This could have been improved by giving an interest calculation based on the entries assuming that the payment is submitted by a certain date but this sort of feedback is not what the user testing teams are equipped to deal with. We have also had situations where the scenarios provided for testing did not make sense – for example, one round of testing on the CGT on UK Property Service used as a test scenario a situation which did not need to be reported under the new rules. There were similar issues with poor choice of testing scenarios when user testing of the DDS was carried out.

2.10 ‘Ronseal’ testing

We would like to see – and would be keen to be involved with – more testing of whether systems actually do what they need to do and if they match the underlying legislation. Such testing might be said to see if policy does what it says on the TIIN? This could involve more testing, off line, with agents, using example client scenarios that the agent provides, rather than example scenarios developed by HMRC. Agents taking part in this would benefit from advance sight of the process, gain insights into how the policy might affect clients and at the same time, help to shape a more usable system for everyone by providing more meaningful feedback from real world examples. This may have helped with the development of the TRS for example, by highlighting the gaps between the requests for information in the system, and the information that the legislation required.

2.11 It would also be helpful for agents if testing could look at how systems or processes might fit into existing agent ways of working so they can effectively assist taxpayers. For example, we frequently need to request that new systems have a ‘save and return’ function to allow for more senior review and client approval before documents are submitted to HMRC. Even better than picking up in testing, it would be good if features like this could be automatically be included in new systems or when new online forms are created as part of common design principles.

2.12 Shielding Sandbox

One of the hardest aspects of developing a system is to ensure that it caters for everyone who needs to use it. Rather than seeking to exempt taxpayers from existing rules to test new systems, we think that HMRC needs to turn this idea on its head. Based on the problems with recent systems, the most useful place for a sandbox is to protect those who cannot immediately access HMRC systems on launch. Instead of a testing sandbox, this would be a *shielding* sandbox, giving HMRC the powers to grant exemptions or exclusions for those who can’t immediately access new systems or process.

2.13 With the best will in the world, there will always be situations which new systems can’t cope with and that were not arise in testing. Even the self-assessment returns service – which is rigorously checked and updated each year – still has a number of what are called *excluded* cases which cannot be reported online. Being unable to use an online system because it doesn’t cater for your needs causes a great deal of stress and anxiety, as well as time wasted trying to find a solution. Fortunately, the self-assessment system is set up to deal with this, and when a taxpayer in self-assessment finds themselves within an exclusion, the taxpayer has the option of filing on paper. If they don’t spot that they fall within an exclusion, perhaps because they do not have an agent, and if large numbers of cases might be affected then HMRC will attempt to spot and correct issues using automated review processes. This additional care and oversight seems to be unique to self-assessment. Paper routes are also usually aimed at the *digitally excluded* – i.e. those who cannot go online, rather than ***those who are excluded by poor or inadequate system design*** and might otherwise very much wish to transact online. Accessible, non-digital solutions need to be available for both groups.

2.14 Incentives and compensation

Finally, if HMRC is unable to obtain necessary volunteers for testing, then we think that it would be reasonable to consider some form of incentive or compensation. It is interesting that a current trial of P800 issues for the digitally excluded is offering a £50 Love2Shop voucher while MTD for ITSA testing (prior to the deferral) included no incentives, despite the significant extra, and ongoing, work imposed on participants in the latter trial and resulted in poor uptake.

2.15 Comparisons to other forms of sandbox

The legislative sandbox has a working definition of

“A temporary environment where HMRC could conduct tests of new policy and processes which suspend, implement, ease and/or harmonise legal obligations. This may be for a distinct group of people or sector, for a defined time period, and would be accompanied by appropriate safeguards and guidance.”

During discussions, comparisons were made to other forms of ‘sandbox testing’ to draw potentially useful analogies. We thought it would be helpful to run through some of the analogies in our response and consider if they add anything to this idea.

2.16 IT sandboxes

These are a familiar concept to those involved in system development and allow for testing of new code outside of the live environment to ensure that live systems are not damaged/affected. This does not seem a helpful analogy here as, for those in the pilots, this is a live exercise with their actual tax affairs. Participants will be, albeit temporarily, governed by different rules to the rest of the population. Given the potential for confusion with IT sandboxes, if this policy is developed further, it might be sensible to rename it to avoid the term ‘sandbox’, which has an established meaning elsewhere.

2.17 Regulatory sandboxes

These came up in discussions in June 2023, and we understand that both the Financial Conduct Authority (FCA) and Information Commissioners Office (ICO) make use of these. In brief, a known entity (a third party, so not the FCA or ICO themselves) puts proposals forward of what they would like to test. The FCA/ICO provide some form of support in the development and implementation of the test, and then the test is carried out on a small scale, for a limited duration, with a limited number of consumers. The FCA website³ notes

“Sandbox tests are expected to have a clear objective and a clear positive impact on consumers. They are typically conducted on a small scale, for a limited duration, with a limited number of consumers.”

In the June meeting, we were advised that consumers involved in an FCA sandbox are aware that they are buying a product that has been developed within a sandbox and they actively consent to being part of that.

2.18 Again, there is not a direct analogy here, as in the current proposal HMRC is both in charge of coming up with the sandbox idea and then designing, reviewing and implementing. There is no separation between the entity designing the idea and the entity reviewing it. It is also not clear that there is any provision to protect those placed into a legislative sandbox from additional compliance costs.

2.19 We’d also note that for regulatory sandboxes, the consumer can make an informed decision over whether purchasing the product is in their interests. This does not appear to be the case for HMRC’s pilot proposals.

³ <https://www.fca.org.uk/firms/innovation/regulatory-sandbox>

2.20 *Jury Service*

At the June meeting we suggested that legislative sandboxes might be usefully compared to jury service, in which the individual is doing something for the benefit of the wider society which may not necessarily be of direct, personal benefit to them. Jury service has an impact on the individual's time, work, employer and family but it is necessary for the operation of the legal system and there is some (limited) compensation available to those who serve. While taking part is generally compulsory, there are opportunities to opt out for specific reasons such as caring responsibilities or to defer service due to pre-existing commitments such as holidays. We think this is a potentially more useful analogy and could be useful for pulling out further potential safeguards.

2.21 The key elements of jury service which we think could be considered here are:

- (i) Although the level of compensation is not large, there *is* compensation available to those who carry out jury service to acknowledge both potential loss of earnings and/or additional costs of taking part. There are also modest expense allowances for food and travel.
- (ii) It is possible to get an automatic exemption if summoned within two years of sitting on a jury. We have commented further on the idea of not being in more than one pilot within a given period as a potential safeguard below.

3 **Benefits and challenges**

3.1 We agree that there are potential benefits to the wider taxpayer population from piloting, including the ability to make changes to systems, processes or guidance to improve user experience and functionality, provided there is sufficient time between the pilot and wider roll out to take account of the changes needed. There is also the opportunity to test if the policy intention is achieved, not just if systems work. Our concerns centre on the costs to those taking part and the actual or perceived lack of benefits to the individual involved if entry into a legislative pilot is compulsory and/or there is insufficient support from HMRC.

3.2 **Challenges for the taxpayer**

Anyone selected for the pilot will have to spend time familiarising themselves with their new obligations and may also incur costs if they have an agent who has to do likewise. Even if test subjects get additional, more hands on HMRC support for more complex projects, they are still being asked to spend time and energy on something that may not benefit them personally. The estimation of potential time and financial costs to taxpayers from having to take part in a new system or process is a sensitive area for agents and taxpayers, following HMRC's underestimation of the transition and familiarisation costs for businesses going into MTD. We consider that taxpayers should not be financially worse off as a result of volunteering for, or being placed in, an HMRC pilot.

3.3 Even if a new process might be perceived as being to the taxpayer's benefit, there is the question of whether treating people differently following assignment to a pilot is in line with HMRC's Charter standards of treating taxpayers fairly.

3.4 **Agent Challenges**

Where an agent has a client within a pilot there will be extra work familiarising themselves with the new rules or obligations and potentially a need to amend systems/processes or diary management systems to ensure

that the client complies with any changed timescales. As a new process, it may need more senior review time than the usual work for the client. All this will incur extra costs for the agent. When a new law, system or process is introduced, agents incur time costs in familiarisation, but this can effectively be recovered as part of overall operations as generally a number of clients will be affected. For a trial, where perhaps only one taxpayer in the agent's portfolio is in scope, then we question how the agent is supposed to recover time costs fairly. We consider that agents should be compensated directly by HMRC for their time assisting clients with pilot schemes.

- 3.5 Agents will also need to be made aware when clients have been selected for a trial. It would also be helpful if HMRC could advise any agent when a taxpayer has been placed into a trial.
- 3.6 We are also concerned that there may be Professional Indemnity Insurance (PII) issues for agents if any problems arise with a client selected for a pilot. If this idea is to progress, it would be helpful to consult with insurers what, if any, concerns they may have about agents dealing with clients who are within a temporary and unfamiliar set of rules.

3.7 **HMRC challenges**

Given the complexity of the UK tax system, we consider that it could be very difficult to identify all the relevant elements of legislation that will need to be switched off/dis-applied before a pilot can start. We also wonder if there could be an impact on future enquiries, depending on what the taxpayer is asked to do differently for a period. In the event of an enquiry into a period when the taxpayer was taking part in a pilot, then clearly this needs to be taken into account, and the taxpayer should not be disadvantaged in the future. Protections for taxpayers may therefore need to be in place for periods beyond the duration of the original pilot.

- 3.8 One potential use of the sandbox approach has been to select a group of people to agree/check a pre-populated return, rather than complete the data themselves. If taxpayer opts to accept the pre-populated return and not correct it – but the return is later found, following an enquiry, to be wrong – is that useful evidence for the trial (perhaps that people are too trusting of information HMRC provides, or that HMRC's information is inadequate) - or evidence of carelessness, or deliberate behaviour on behalf of the client (who could have spotted the prepopulated return was wrong or insufficient and chosen to correct)? All these outcomes are possible, but this evidence may not be unearthed until some years have passed and the trial has closed. Under the current approach, taxpayers could be asked to review a pre-populated return as part of a trial but would still need to submit a tax return in order to fulfill their obligations. While we can see this is more work for taxpayers, the duplication does mean that they can provide evidence of which route was easier and would identify discrepancies quicker. It also means that their affairs remain consistent with the rest of the population. Taxpayers could be then compensated for their time and trouble to reflect the additional burden placed on them by being asked to review a pre-populated return first.
- 3.9 Finally, given the significant resource constraints that HMRC are under, and the recent acknowledgement that demand will outstrip supply for some time to come, we question whether HMRC has the resources to carry out testing of this nature with sufficient support and whilst not reducing service levels elsewhere.

4 **Safeguards**

4.1 **Tax liabilities**

We were advised at the June meeting that, in HMRC's view, sandbox testing would not be used where it could affect tax liabilities for participants, but penalty costs could differ for those in the pilot. By changing the timing

of obligations, the potential for interest charges could also differ. We agree in principle with the idea that to ensure fairness, tax liabilities should not be affected – so those in a pilot pay the same as those outside the pilot – and we think this is helpful to some extent as a safeguard. However, from the perspective of many taxpayers, the financial/economic cost of tax is not purely the underlying liability but also includes any penalties and potential for interest charges/loss of use of the funds due to the time at which tax is paid. We would argue too that any additional agent fees also form part of the overall package of costs that a taxpayer needs to fund in connection with their tax. Therefore, we think that an oversight board is needed to review the decision over whether or not tax liabilities would be reasonably affected before a pilot goes ahead.

4.2 *Time bound*

One of the proposed safeguards is that any pilots will be time bound and only last for as long as reasonably necessary. We agree that this is a welcome safeguard but we have commented below that in order to provide additional protections, an oversight board should review the time-period to assess the reasonableness of any proposed period.

4.3 Clear communications and notification period

As a related point, we think that all participants should be informed not just at the start that they are part of a pilot (and how long it will last), but also be reminded again at the end of the pilot that they have left the pilot and must now return to existing rules. It may be confusing for people to have to follow different rules for a period before returning to pre-existing rules and they may be at higher risk of penalties after leaving the pilot. We would hope that HMRC would take this into account in the event of a future reasonable excuse claim.

4.4 It may also be sensible to have a minimum notification period for people selected for a pilot, to allow for opt outs (if needed) and to ensure they have time to take advice if needed and fully consider the implications for their affairs. It will also be necessary to have a clear explanation of how the return to pre-existing rules affects any carry forward figures such as losses.

4.5 Multiple pilots

We understood from the June meeting that there could be potential for a participant to be in more than one pilot at once. We have some concerns about this. The more pilots a taxpayer is in at the same time, the greater the risk of confusion for the taxpayer and their agent. We presume that the quality of data obtained may also be reduced. In general, we do not think it would be sensible for individuals to be in multiple pilots unless each pilot is a small subset of a larger one and the elements are very clearly linked. Picking up the Charter point again, we think this risks being unfair to the taxpayer due to time/costs of being involved in a pilot and increases the risk of enquiry or penalty confusion down the line. Again, this is the sort of matter that an oversight board could pick up and consider.

4.6 There could perhaps be an 'opt out' permitted for those already in a pilot. For owner-managed businesses, this might also include allowing an opt out for a pilot for their personal affairs if they are already dealing with a pilot for their company (or vice versa). This might still feel like being in multiple pilots for those involved (given the close connections between owner managers and their companies) even if strictly there are two different legal entities involved.

4.7 Frequency of piloting

When looking at other potentially comparable situations such as jury service (see 2.20-2.21 above) we noted that potential jurors can be automatically excused if they have served in the previous two years. In addition

to ensuring that pilots are time bound we think that, if the pilots are made compulsory, individuals who have previously been in a pilot within the last two to five years should automatically be excluded if they are selected for a pilot again during that time period. This would protect people from being put into disruptive pilots too frequently. Similarly, if individuals can volunteer, there may need to be a limit on the frequency of volunteering to ensure that HMRC does not get feedback from the same group of people each time.

4.8 'Other reasons' opt out

Continuing the jury service comparison, potential jurors are able to opt out based on a specific list of reasons and also to defer, for example, to avoid holidays or hospital stays. If participation is compulsory, we think that a similar range of reasons should be permitted for opting out of, or deferring entry into, HMRC pilots. Valid reasons for opting out should be clearly explained to taxpayers before they are moved into a pilot.

4.9 Compensation

An individual in a trial may not only have to spend time familiarising themselves with the new, temporary requirements, but also incur agent fees. We think either individuals should be compensated for additional adviser fees, or advisers should be compensated directly if a client is selected for a trial. Ideally the second option is preferred, as those in a trial should not have to incur the risks and cash flow costs of paying an adviser and then waiting for HMRC to refund them.

4.10 Change of circumstances

Consideration will need to be given to what happens if there is a change of circumstances during the trial. The most extreme example might be that the taxpayer dies. Whilst this is hopefully a very rare occurrence, it does need to be considered. Depending on the nature of the pilot, consideration needs to be given to whether the estate should remain within the pilot and how to make the executors aware of the pilot.

Less extreme, but also difficult situations such as the effects of family breakdown, insolvency, temporary cessation of business (eg for pregnancy, maternity/paternity leave) and business failure occurring during the period of the pilot should also be considered, with taxpayers having the opportunity to remove themselves from the pilot if need be in these circumstances.

4.11 Oversight board

Some of the safeguards proposed or discussed above include an element of judgement. For example, we are told that pilots will be time bound and not last 'any longer than is necessary'. We think consideration needs to be given as to whether an external party should have review or the ability to comment on the proposed time period and/or other aspects of the pilot such as the impact on tax liabilities. What might feel reasonable to HMRC may not feel reasonable to participants.

4.12 We note that for other regulatory pilots, the FCA/ICO has the final say over proposals from a third party, so there is some separation between those suggesting and those enforcing rules. We suggest therefore that some form of oversight board to or committee (similar to the approach for GAAR) may well be beneficial and particularly so if HMRC proceeds with compulsory pilots.

5 Showcase space

- 5.1 We agree that if the proposed approach is to proceed, it would be a good idea to share what has been learned publicly. The proposal is a 'show case' space. As noted in the meeting, we support this transparency, but we do wonder whether in practice HMRC will be able to admit if things did not work for some/all taxpayers in a pilot. Experience suggests that it can be difficult or challenging for HMRC to acknowledge publicly issues that occur. For a showcase to be credible, it is important that HMRC is able to share both positive and negative outcomes. It would also be helpful if the showcase could include or reference external and/or potentially critical evaluations.
- 5.2 Having established a showcase space, we wonder if this might open up the opportunity to develop this into a post implementation review such as how the lessons learned were implemented and if any changes to the final approach were made as a result of the pilot.
- 5.3 In respect of data sharing, we note that if there are small samples, it can be difficult to share data without distinguishing the individuals involved and care will be needed to find a balance between sufficient transparency and not identifying those in the trial.
- 5.4 In order to help participants keep track of their time in pilots, it might also be helpful to include information about the pilot and where to go in the event of the need for future help and support in the taxpayer's Personal or Business Tax Account.

6 What areas of HMRC activity might benefit from these pilots

- 6.1 We think the pilots are likely to be of most use when introducing new processes such as new digital services or trialling new ways of carrying out existing obligations.
- 6.2 As noted above, we would like to understand more about who can propose ideas for testing, and we also think potential pilot approaches should be consulted on before they are rolled out.

7 Participant support and oversight

- 7.1 For a scheme in which an individual taxpayer's legal obligations are changed, we would expect significant support, potentially on a one to one basis, since the taxpayer will not be able to use existing guidance or services. This should also apply to the taxpayer's agent.
- 7.2 We would expect those in a small pilot to be able to contact HMRC via phone, ideally on a dedicated line to avoid queuing and to ensure they can reach staff who have an understanding of the pilot. It might be confusing to general helpline staff if someone who is in a pilot and has been asked to do something calls the usual contact lines. This worked well for SEISS. While online guidance will also be welcome, we do not think it will be adequate in situations where taxpayers cannot consult usual sources such as GOV.UK or HMRC manuals and it could be confusing for people not in the pilot.
- 7.3 It will need to be clear when the participant has entered the trial and when they have left it. As noted above, we would expect clear, written correspondence at the start or end of any trial and it would be helpful if information could be retained on the taxpayer's personal tax account for future reference.

8 Contact details

- 8.1 We would be pleased to join in any discussion relating to this consultation. Should you wish to discuss any aspect of this response, please contact us at attechnical@att.org.uk.

The Association of Taxation Technicians

9 Note

- 9.1 The Association is a charity and the leading professional body for those providing UK tax compliance services. Our primary charitable objective is to promote education and the study of tax administration and practice. One of our key aims is to provide an appropriate qualification for individuals who undertake tax compliance work. Drawing on our members' practical experience and knowledge, we contribute to consultations on the development of the UK tax system and seek to ensure that, for the general public, it is workable and as fair as possible.

Our members are qualified by examination and practical experience. They commit to the highest standards of professional conduct and ensure that their tax knowledge is constantly kept up to date. Members may be found in private practice, commerce and industry, government and academia.

The Association has more than 9,500 members and Fellows together with over 6,000 students. Members and Fellows use the practising title of 'Taxation Technician' or 'Taxation Technician (Fellow)' and the designatory letters 'ATT' and 'ATT (Fellow)' respectively.