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MODERNISING AND MANDATING TAX ADVISER REGISTRATION WITH HMRC–

DRAFT FINANCE BILL 2025-26 MEASURES

Response by Association of Taxation Technicians

1 Introduction

1.1 The Association of Taxation Technicians (ATT) is pleased to have the opportunity to provide comments on the policy paper outlining modernising and mandating tax adviser registration with HMRC[1] and the accompanying draft legislation[2].

1.2 The primary charitable objective of the ATT is to promote the education and 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 Our comments build on our response[3] to the open consultation on 'Raising standards in the tax advice market: strengthening the regulatory framework and improving registration'[4] which was published at the Spring Budget on 6 March 2024. Whilst the proposed legislation has clarified some of the points raised in our previous submission, it has also raised a number of other issues, which we address below.

[1] Requirement for tax advisers to register with HMRC and meet minimum standards - GOV.UK
[2] Draft Finance Bill Measures
[3] 2024 - RESPONSE - condoc - Raising the standards in the tax advice market - Website version.pdf
[4] Raising standards in the tax advice market: strengthening the regulatory framework and improving registration - GOV.UK

1.4 We also acknowledge the comments made by HMRC in its 'Raising standards in the tax advice market: strengthening the regulatory framework and improving registration - summary of responses'[5] (the Consultation response).

1.5 We appreciate the opportunity provided by the roundtable discussion with HMRC on 21 August to explore the proposal in more detail and engage in constructive dialogue on its potential implications.

1.6 In this response, we have included a general comment on the proposed legislation in Section 2, followed by detailed commentary on the draft legislation in Section 3.

2 General comment on proposed legislation

2.1 We acknowledge that the requirement for tax advisers to register with HMRC represents the first step in the Government's two-part strategy to raise standards within the tax advice market. This initial measure is intended to provide greater visibility and oversight of the tax adviser population. It is to be followed by a proposed strengthening of the regulatory framework, currently under consideration through one of three possible approaches:

- Mandatory membership of a recognised professional body;
- A joint HMRC/industry enforcement model; or
- Direct regulation by a Government body.

2.2 Since this measure is a precursor to potential future regulation, it must be transparent, proportionate, and widely understood by the tax adviser community. Without a clearly defined and communicated purpose, advisers may see registration as an additional unnecessary administrative hurdle rather than a meaningful part of a strategy to raise standards and protect taxpayers.

2.3 Clause 2(3) provides a helpful summary of what constitutes an interaction with HMRC. While this clarification is welcome, it also serves to highlight our key concern: the proposed mandatory registration regime will only capture those tax advisers who actively engage or interact with HMRC on behalf of clients. It will not address individuals who provide tax advice without directly interacting with HMRC (for example, those advising on claims or allowances without actually being involved in filing returns), allowing them to operate outside the scope of oversight and remain largely invisible to the system.

2.4 We believe this exposes a significant gap in the current proposals. This raises the importance of the Government consulting on whether the provision of 'tax advice' should become a regulated activity, limited to approved and supervised individuals or entities, similar to existing arrangements for insolvency practitioners, probate services, and statutory auditors. Such a move would ensure a consistent standard across the profession and offer greater protection for taxpayers. It would also ensure that even those who are not required to register with HMRC but give tax advice, had a degree of oversight and accountability.

2.5 Whilst making the provision of 'tax advice' a regulated activity would go some way toward improving accountability, we recognise that it is unlikely to fully deter unacceptable behaviour by certain tax advisers, particularly those who are based in jurisdictions where HMRC has limited or no ability to enforce UK law due to the absence of reciprocal agreements or enforcement powers.

2.6 We welcome HMRC's comments during our meeting on 21 August that the Agent Services Account (ASA) will be transitioned to the new mandatory registration system. However, this is not clearly reflected in the

[5] Raising standards in the tax advice market: strengthening the regulatory framework and improving registration - summary of responses - GOV.UK

draft legislation (referred to further at 3.5). While HMRC has indicated that existing ASA holders will be transitioned to the new service, the accompanying policy paper refers to a transition period of 'at least three months.' We would have expected HMRC to be able to complete this transition more quickly than currently proposed, and wonder whether sufficient resources have been set aside for this purpose. It should be made clear that interactions with HMRC will continue via the ASA until the tax adviser has been fully transitioned. We note that the timescale for proposed changes coincides with the introduction of Making Tax Digital for Income Tax (MTD) in April 2026. MTD will represent a significant upheaval for agents and their clients, and we would therefore urge the Government to ensure that the transition for those with an ASA is as simple and straightforward as possible.

2.7 HMRC has stated that transitioned ASA holders will be required to confirm they meet the new registration conditions. However, no details have been provided on the timeline for this confirmation or how HMRC intends to communicate this requirement to affected agents. Without a clear and enforced process for obtaining this confirmation, there is a risk that some individuals may remain registered via their ASA transition, yet HMRC will have little or no additional verified information about whether they meet the new registration criteria. This would seem to undermine the purpose of the registration system and potentially allow continued access to HMRC systems by agents who have not demonstrated compliance with the new standards.

2.8 To mitigate this, we recommend that HMRC:

- Clearly sets out the deadline by which existing ASA holders must confirm their compliance;
- Outlines how it will notify ASA holders of this requirement;

And confirms what action will be taken where no confirmation is received within the specified timeframe.

2.9 Clause 4(2) states that 'an application must be made in the form and manner specified in a notice published by HMRC.' Given that mandatory registration is due to commence on 1 April 2026, we strongly encourage HMRC to publish a draft version of the required form and application process well in advance. This will give tax advisers adequate time to understand the requirements and gather the necessary information and documentation.

2.10 Publishing the draft at an early stage will also provide an opportunity for interested parties to comment on the effectiveness and practicality of the proposed application process, helping to ensure it is proportionate, user-friendly, and fit for purpose.

2.11 In addition, we recommend that HMRC provide clear and comprehensive guidance to support advisers through the application process. To ensure maximum awareness, the finalised form, guidance, and key dates should be widely communicated through all available channels including HMRC's website, agent updates, professional bodies, and trade publications.

2.12 We recognise that an effective registration system must encourage compliance, deter non-compliance, and promote fairness, often through financial penalties. However, we would caution against introducing an overly complex regime with multiple penalty types, particularly while the outcome of the Behavioural Penalties Reform consultation[6] remains uncertain.

2.13 The draft legislation currently introduces ten new appealable decisions. While we agree that it is both important and necessary for tax advisers to have the right to appeal, especially where decisions may affect

[6] Behavioural penalties reform - GOV.UK

their ability to earn a livelihood, we are concerned that the overall framework may become too burdensome or fragmented if not carefully structured. It is essential that the system remains clear, proportionate, and accessible, both to ensure fairness for advisers and to support effective administration by HMRC. There also needs to be a clear channel of communication for agents to be able to contact HMRC regarding problems/queries with their registration.

2.14 We would therefore encourage HMRC to consider streamlining the penalty framework, ensuring it aligns with the wider penalty reform agenda and avoids confusion for those subject to the new regime.

2.15 As an example, Clause 15(5) imposes a penalty of £5,000 for each client that a tax adviser fails to notify of their suspension or prohibition. However, it is unclear how HMRC will determine:

a) whether an individual is, in fact, a client of the tax adviser; and

b) whether the adviser has fulfilled their obligation to notify that client.

Will HMRC rely solely on self-declarations from the adviser, effectively requiring advisers to self-regulate? Or will HMRC use its own systems to identify the adviser's clients and track whether notifications have been issued?

2.16 Both approaches raise concerns. An unscrupulous adviser may not provide HMRC with accurate information, while HMRC's own systems may not have full visibility of current client relationships or be able to confirm whether notifications have been sent, unless they contact each client individually, which is unlikely to be practical.

2.17 This is an example of where clarity is needed on how HMRC intends to enforce these provisions in a way that is fair, proportionate, and administratively workable.

2.18 We recognise that financial sanctions, particularly those that can be transferred or assigned to senior managers, are a powerful tool for promoting individual accountability, and we believe that these can, in many cases, be effectively enforced. However, we are concerned about the practical enforceability of non-financial sanctions, especially in cases where they rely heavily on behavioural compliance and internal conduct.

2.19 For example, if a non-financial sanction restricts a senior manager from involvement in certain client matters, how will HMRC be able to monitor or verify compliance with that restriction in practice? It is conceivable that a senior manager could continue to exert influence behind the scenes while using other compliant senior managers to front their involvement. In such situations, the effectiveness of the sanction relies not only on detection, but also on a high level of internal transparency and whistleblowing, neither of which may be easily forthcoming.

2.20 In our view, without a clear and enforceable mechanism to monitor these types of behavioural restrictions, the deterrent effect of non-financial sanctions may be significantly weakened.

2.21 If the Government decides not to streamline the penalty framework, we strongly encourage HMRC to provide clear, detailed guidance on how the new penalties will be applied. This should include practical examples and case studies to help tax advisers understand the implications of the different types of non-compliance, promote consistency in application, and support voluntary compliance across the system.

2.22 Although we acknowledge the Government's desire to take timely steps to assess the quality and nature of those engaging with the tax system, we are concerned about the increasing burden placed on tax agents. In particular, agents are expected to absorb and interpret a significant volume of new and

proposed legislation targeting tax advisers including amendments to Schedule 38 of the Finance Act 2012 regarding agent-facilitated non-compliance, and the new rules concerning promoters of tax avoidance schemes, in order to remain compliant and avoid inadvertent breaches of the law. As noted above, these demands also come at a time when agents are already focused on preparing many of their clients for the transition to MTD, which takes effect from April 2026.

2.23 The draft legislation is silent on how the register of tax advisers will be published and accessed. To achieve the policy aim of improving transparency and enabling clients, professional bodies and other stakeholders to verify that an adviser is properly registered, the register must be easily accessible and searchable. To assist with this aim, enabling Application Programming Interface (API) access to the register would be highly beneficial. This would allow professional bodies, firms, and software providers to integrate an indicator of registration status into their systems (where desired and practical). An open API allows scope for wider automatic and scalable monitoring of a tax adviser's registration status, assisting with the broader policy aim of ensuring that any potential end clients are appropriately informed about an adviser's status.

3 Detailed commentary on draft legislation

3.1 Clause 1 defines the meaning of a 'tax adviser', with 1(1) stating "a 'tax adviser' means a person who, in the course of a business, assists other persons with their tax affairs." Similarly, paragraph 2 of the draft legislation on HMRC's powers: tackling tax adviser facilitated non-compliance[7] defines a 'tax agent', with 2(1) stating that "a 'tax agent' is a person who, in the course of business, assists other persons ('clients') with their tax affairs."

3.2 Although each definition is further elaborated upon, it appears from these definitions that 'tax adviser' and 'tax agent' are viewed by HMRC in essentially the same way. If that is the case, then consistent terminology should be used.

3.3 However, if it is the Government's intention for the definitions of 'tax adviser' and 'tax agent' to differ, then this distinction should be clearly articulated within the relevant legislation to avoid ambiguity and ensure consistent interpretation. Failure to provide clarity could lead to confusion among taxpayers, advisers, and HMRC staff, as well as inconsistencies in the application and enforcement of the rules.

3.4 Clause 2, rather than setting out who can interact with HMRC, defines who may not interact with HMRC. It states at 2(1) that 'a tax adviser may not interact with HMRC in relation to the tax affairs of a client unless:

(a) the adviser is registered with HMRC under this Part, or

(b) an exception in section 3 applies.'

3.5 Clause 3 provides details of the exceptions from registration, but this does not currently provide for tax advisers who are already registered with HMRC under an ASA which (we understand) will be transitioned to the new system. As such, it appears that ASA holders would still be required to register under these new provisions. This interpretation conflicts with the advice provided by HMRC during our roundtable discussions. If existing ASA holders are to be transitioned into the new registration system, this should be made explicit in the legislation, potentially through a further clarification or the inclusion of an additional exception.

[7] Enhancing HMRC's powers to tackle tax advisers who facilitate non-compliance - GOV.UK

3.6 Clause 4, does not specify a single authoritative identifier for all individual registrants. This could allow scope for disqualified registrants who originally registered via a company, where a CRN was provided, to re-register via a new entity. To close this gap, registration should be linked not only to the legal entity (e.g. CRN or UTR) but also to the UTRs of all persons with significant control (PSCs) within that company and senior managers. This is because the UTR will be constant across an individual's lifetime and tax affairs. Making the UTR request explicit across different legal entities will help HMRC track applicants if there are instances of phoenixism or a change of legal entity, or movement of individuals across different organisations.

3.7 Additionally, clause 4(3)(d) states that an application must contain "any other information or evidence that may be specified in a notice published by HMRC". However, whilst clause 4 explains the nature of this sub-section in relation to tax advisers established in or connected to jurisdictions outside the UK, it does not make it specific to or relevant to the application.

3.8 Suggested amendment to clause 4(3) (Application for registration) as follows:

4(3) An application must contain the following—

(a) the name, address and Unique Taxpayer Reference of the adviser;

(b) where the adviser is a body corporate or partnership -

(i) the Companies House registration number, and

(ii) the name and Unique Taxpayer Reference of each person with significant control;

(c) the name and Unique Taxpayer Reference of each senior manager of the adviser;

(d) a statement as to whether the eligibility conditions are met (see section 5);

(e) any other information or evidence that may be specified in a notice published by HMRC, relevant to the application.

3.9 Clause 5 outlines the eligibility conditions that tax advisers and their senior managers must meet as part of the adviser's registration application. While gathering this information may be relatively straightforward for sole traders and small partnerships, limited liability partnerships and companies, even those of medium size, are likely to encounter significant challenges in doing so. In particular, obtaining confirmation and relevant details from all individuals who fall within the definition of 'senior manager' under the proposed legislation (clause 21(2)) may prove difficult. Large firms may have hundreds of 'senior managers' and their tax affairs may be complicated and not confined to the tax adviser business.

3.10 The definition of 'senior manager' is further complicated at clause 21(2)(a)(ii) by the inclusion of a shadow director. The determination of who qualifies as a shadow director is, in itself, a complex task, and one that must be resolved before the eligibility criteria can even begin to be assessed.

3.11 We believe the Government should reconsider the purpose and scope of the information it seeks from tax advisers as part of the registration process. In our view, the primary aim should be to ensure that advisers are competent, capable of engaging effectively with HMRC on behalf of their clients, and

committed to high professional standards, such as those outlined in the Professional Conduct in Relation to Taxation (PCRT)[8] or the HMRC Standard for Agents (S4A)[9].

3.12 Against that backdrop, the requirement to obtain confirmation that all senior managers in a business meet the eligibility criteria appears disproportionate and does not, in our view, meaningfully contribute to the stated objectives. Senior managers may include individuals who do not provide tax advice, interact with HMRC, or influence the firm's technical work. Applying the eligibility conditions uniformly to this group risks placing unnecessary administrative burdens on compliant firms without improving standards or outcomes.

3.13 If the policy intention is to raise professional standards and reduce non-compliance, a more targeted or risk-based approach, focusing on those individuals who directly provide tax advice or are responsible for its quality, would be more effective and proportionate. One idea might be to have a designated individual responsible within the firm, in a similar way to the Money Laundering Reporting Officer. We would welcome further engagement with HMRC to explore how these goals can be better aligned with the registration requirements.

3.14 We understand that, as a pre-condition for an application to be accepted, the tax adviser will be required to provide a positive statement under clause 4(3)(b), confirming that all eligibility conditions are met, both by the adviser and by all senior managers within the business.

3.15 This requirement could present significant challenges for larger firms, which may have hundreds of senior managers. It raises an important question: if even one senior manager fails to meet the eligibility conditions, will the entire tax adviser business be prevented from registering? Alternatively, would the business still be permitted to register, with only the non-compliant senior manager restricted from engaging with HMRC?

3.16 If the former is the case, it would be helpful to understand the threshold: how many non-compliant senior managers would trigger a prohibition on registration — 1,2,3, 10%, 20%, 50%?

3.17 If the latter approach applies, practical enforcement becomes unclear. How would HMRC identify whether a prohibited senior manager is engaging with them? Online interactions would not reveal this, and correspondence could easily be channelled through another compliant senior manager.

3.18 We assume that Clause 20 ('Disclosure of Information') has been drafted to ensure that HMRC is legally permitted to disclose information to a tax advisory firm concerning its own senior manager, thereby avoiding any conflict with the taxpayer confidentiality provisions set out in the Commissioners for Revenue and Customs Act 2005.

3.19 However, further clarity on these points would be appreciated to assess the practical implications for larger firms and ensure compliance is both feasible and enforceable.

3.20 Clause 5(2)(c) states that a tax adviser or senior manager must not be "subject to a sanction or other measure imposed on them by HMRC in relation to tax anti-avoidance activities."

3.21 We assume the intention is to capture breaches of the Disclosure of Tax Avoidance Schemes (DOTAS) and Promoters of Tax Avoidance Schemes (POTAS) regimes, as well as sanctions such as universal stop notices,

[8] Professional Conduct in Relation to Taxation | The Association of Taxation Technicians
[9] HMRC standard for agents - GOV.UK

promoter action notices, connected party notices, and promoter financial information notices, in other words, measures associated with HMRC's efforts to tackle tax avoidance schemes.

3.22 However, as currently drafted, the clause appears to suggest that sanctions are applied in relation to anti-avoidance activities, rather than in relation to tax avoidance activities, which seems contrary to the intended purpose. To avoid confusion and better reflect HMRC's enforcement objectives, we recommend redrafting the clause to read:

"is not subject to a sanction or other measure imposed on them by HMRC in connection with HMRC's anti-avoidance enforcement activities."

3.23 This revision makes it clear that the focus is on individuals subject to action because of involvement in tax avoidance.

3.24 Clause 5(5)(b) helpfully clarifies that, where a tax adviser is established outside the United Kingdom, the term 'tax' includes any tax imposed under the laws of that jurisdiction. While this clarification is welcome, it raises a practical concern: how will HMRC be able to verify a statement that all relevant taxes have been paid in a foreign jurisdiction, particularly where that jurisdiction does not have a reciprocal tax information exchange agreement with the UK? Further clarification from HMRC on how such compliance will be monitored and verified would be helpful.

3.25 Clause 5(3) sets out Condition B, requiring that "the tax adviser and each senior manager of the adviser meet any standards expected of tax advisers in their dealings with HMRC that are specified in a notice or other document published by HMRC for the purposes of this section." We assume that the reference to 'standards' is intended to capture existing frameworks such as the PCRT and HMRC's S4A, but this is not made explicit. As a result, the condition lacks legal certainty and may lead to confusion or inconsistent application.

3.26 We would strongly prefer that reference to the applicable standards be made directly in the primary legislation, rather than left to a notice or other HMRC-published document. Embedding such key requirements in legislation would provide greater clarity, accountability, and assurance for tax advisers. It would also ensure that any future changes are subject to full Parliamentary scrutiny, rather than being amendable at HMRC's discretion, as is the case with Notices or other secondary instruments.

3.27 Clause 7 sets out the provisions for determining registration applications, and clause 7(1)(b) requires that an officer "notify the adviser of the decision." However, the clause does not specify a timeframe within which HMRC must issue this notification. The absence of a defined response period creates uncertainty and could significantly impact advisers' ability to support their clients in a timely manner. For example, a tax adviser registering in October to assist clients with filing Self-Assessment tax returns by the 31 January deadline may be left in limbo if HMRC does not process the application promptly. Without a statutory timeframe, there is a risk that decisions could be delayed beyond critical deadlines, potentially leaving clients unrepresented or forced to seek alternative advisers at short notice, both of which are unacceptable outcomes caused by administrative delay.

3.28 To mitigate this risk, we recommend that the legislation include a requirement for HMRC to notify the applicant of its decision within a defined period, for example, 30 days from the date the application is received.

3.29 Clause 7(4) provides that, where an application is approved, "the officer must register the adviser with effect from such date as the officer may specify." However, the legislation does not impose any timeframe within which the officer must complete the registration or notify the adviser.

3.30 To ensure the process is timely and does not impede an adviser's ability to act on behalf of clients, we recommend that the legislation include a defined timeframe, for example, that registration and notification must occur within 30 days of the application being received, or within 14 days of approval, whichever is sooner. This would provide much-needed certainty for advisers and help avoid unnecessary delays.

3.31 Clause 8 deals with the ongoing monitoring of tax advisers against the eligibility conditions. Clause 8(2) states: "A tax adviser who is registered under this section must, as soon as reasonably practicable, notify HMRC if there is a change of circumstances relating to whether the eligibility conditions are met."

3.32 However, it is unclear whether this obligation applies to advisers whose ASAs are transitioned into the new registration regime. Specifically, it is not clear whether transitioned ASA holders will be required to review their compliance with the eligibility criteria "as soon as reasonably practicable" after 6 April 2026 and notify HMRC if they or any of their senior managers fail to meet the conditions.

3.33 Alternatively, will HMRC proactively contact ASA holders to request confirmation that they meet the eligibility criteria, and provide clear guidance on the expected format and content of such confirmation?

3.34 We recommend that this point be clarified, either within the legislation or in supporting guidance, to avoid uncertainty for transitioned tax advisers and to ensure consistent compliance with the new requirements.

3.35 Clause 15 requires that a tax adviser who has been suspended for more than 30 days must, within the 30 days following the 31st day of suspension, take reasonable steps to notify each of their clients about the suspension. Failure to do so may result in a penalty of £5,000 per client not notified. We have concerns about the lack of clarity around what constitutes a 'reasonable step' in this context. Without clear parameters, advisers may be uncertain about how to comply, and the provision may be applied inconsistently. We also question how HMRC intends to verify compliance with this requirement in practice, particularly in the absence of a defined evidentiary standard?

3.36 Clause 19 introduces Schedule 1, which contains provisions relating to reviews and appeals. The review process set out in paragraphs 2–6 draws heavily on the existing statutory review framework already in place.

3.37 We recognise that the review mechanism in sections 49A–49I of the Taxes Management Act 1970 (TMA 1970)[10] was developed for taxpayers, whereas the proposed statutory review under this legislation is aimed at tax advisers. As such, directly replicating the TMA 1970 provisions may not have been appropriate in all respects.

3.38 However, one ongoing concern with the current TMA 1970 statutory review regime is with section 49E(8), which states:

"Where HMRC are required to undertake a review but do not give notice of the conclusions within the time period specified in subsection (6), the review is to be treated as having concluded that HMRC's view of the matter in question... is upheld."

[10] https://www.legislation.gov.uk/ukpga/1970/9/section/49A

3.39 This provision has long been viewed as detrimental to taxpayers, as it removes any incentive for HMRC to conclude reviews within the statutory timeframe. In practice, if HMRC fails to meet the deadline, the default outcome is simply that HMRC's original position is upheld, regardless of merit.

3.40 Feedback from our members confirms that HMRC frequently fails to meet the 45-day deadline, often requesting extensions. If the taxpayer declines to agree to an extension, the original decision stands, and their only remaining route is to pursue a tribunal appeal, a process the statutory review system was designed to reduce, not reinforce.

3.41 Regrettably, the same issue appears in the proposed legislation, specifically in sub-paragraph 6(6) of Schedule 1. This is especially concerning given that delays in issuing review decisions could directly impact a tax adviser's ability to operate or earn a living.

3.42 We therefore recommend that sub-paragraph 6(6) be amended to read:

"Where an officer of Revenue and Customs is required to undertake a review but does not give notice of the conclusions within the period specified in sub-paragraph (5), the review is to be treated as having concluded that the **tax adviser's view** is upheld." [our emphasis]

3.43 This change would ensure that HMRC has a strong incentive to conduct reviews promptly and fairly and would help preserve confidence in the system among tax advisers and other stakeholders.

3.44 We agree with the inclusion of a mechanism, set out in paragraph 9 of Schedule 1, that allows a tax adviser to apply for their registration to be temporarily reinstated pending the outcome of a review or appeal. This is a sensible safeguard that helps to ensure procedural fairness.

3.45 While we understand that HMRC may, in some cases, wish to act quickly to cancel a tax adviser's registration, particularly where serious non-compliance is suspected, we do not support a system in which registration can be removed before the adviser has had the opportunity to challenge the decision through the review and appeal process.

3.46 The cancellation of a tax adviser's registration is not a trivial matter. It could have significant economic, reputational, and operational consequences, both for the adviser and their clients. Advisers may be unable to continue representing clients effectively or meeting compliance obligations during the suspension, despite the fact that the appropriateness of HMRC's decision has not yet been determined. In our view, it is essential that any cancellation takes place only after a fair process has been followed and the outcome of a review or appeal is known, except in the most serious and exceptional circumstances.

3.47 We therefore support the ability to request temporary reinstatement and would encourage HMRC to ensure that this safeguard is applied in a timely and transparent manner, with clear guidance on how advisers can access it. It is also important that the right to apply for temporary reinstatement is well publicised, both generally and, crucially, at the point when cancellation is being considered or initiated, so that affected advisers are aware of their options and can respond accordingly.

3.48 Clause 20 outlines the circumstances under which HMRC may disclose information obtained under, or held in connection with, this legislation, limited strictly to the purposes for which the information was originally disclosed. We understand that this clause is intended to provide HMRC with the legal basis to share relevant information with a tax advisory firm concerning one of its own senior managers, particularly where that individual may be in breach of the eligibility conditions for registration. This would ensure compliance with the taxpayer confidentiality requirements set out in the Commissioners for

Revenue and Customs Act 2005, while also equipping the tax advisory firm with the necessary information to support the senior manager in rectifying any issues and achieving compliance.

3.49 If our understanding above is incorrect, we would welcome further clarification from HMRC on the intended scope of Clause 20. In particular, we would appreciate it if HMRC could provide examples of the specific circumstances in which it envisages relying on these disclosure provisions, including the types of information that may be shared, the intended recipients, and the purposes for which such disclosures would be made. This would help ensure transparency and support stakeholder understanding.

4 Contact details

4.1 Should you wish to discuss any aspect of this response, please contact our technical officer, Steven Pinhey on spinhey@att.org.uk

The Association of Taxation Technicians

5 Notes

5.1 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.

5.2 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.

5.3 The Association has more than 10,000 members and Fellows together with over 7,000 students. Members and Fellows use the practising title of 'Taxation Technician' or 'Taxation Technician (Fellow)' and the designatory letters 'ATT' and 'ATT (Fellow)' respectively.