

**Virtual Communications Group
Digital Services Update
September 2021**

Making Tax Digital

The Value Added Tax (Amendment) Regulations 2021 was laid in Parliament on 7 September. The regulations extend MTD to those VAT registered businesses with taxable turnover below the VAT threshold (£85,000) from their first VAT period starting on or after 1 April 2022. We wrote to key stakeholders (including software vendors) to inform them on 7 September.

As of the 30 August 2021, an estimated 89.5% of all businesses mandated to join from April 2019 are now signed up to the MTD service. The proportion of currently non-mandated businesses who have signed up voluntarily is currently around 32.3%.

In August, a trail batch of 2,000 letters went out to those with VAT under £85,000. The findings of this trial will inform future communications, including letters to be sent out from November to those businesses due to join MTD ahead of mandation in April 2022.

HMRC colleagues will be presenting at the Accountex North Summit on 20–and 21 September to raise awareness of MTD.

A series of webinars will be held over the year, focusing on MTD and VAT under £85,000. Webinars on MTD for ITSA will follow in due course. We will provide further details on how to sign up to webinars as soon as these details have been finalised.

Recently we announced that agents will not have the ability to bulk sign up their clients on MTD for ITSA. We recognise the challenges that agents may face as a result, and are committed to ensuring that agents are supported in signing their clients up to MTD for ITSA. As such, we are looking to pre-populate some of the details required during the sign-up process to make the sign-up process easier for agents. We have also made it possible for accountants to sign their clients up to MTD for ITSA from April 2022. Businesses who are signed up to MTD for ITSA from April 2022 will not have to comply with MTD for ITSA rules until mandated to do so in April 2023.

Trust Registration Service

We're pleased to tell you that the Trust Registration Service is now open for non-taxable trust registrations. You should now register all UK express trusts and some non-UK express trusts with HMRC, including non-taxable trusts, unless the trust is specifically excluded due to its characteristics.

You must register:

- non-taxable trusts in existence on or after 6 October 2020 by the 1 September 2022.
- non-taxable trusts created after 1 September 2022 within 90 days.
- changes to the trust details and/or circumstances, within 90 days of the change.

Please note that this gives more time than what is set out in current legislation and the legislation will be amended shortly to reflect the information above.

More information on the trusts that you need to register and the trusts that are excluded can be found at www.gov.uk/topic/personal-tax/trusts.

More detailed technical information can also be found in the Trust Registration Service Manual at www.gov.uk/hmrc-internal-manuals/trust-registration-service-manual.

To register a trust as a trustee, go to www.gov.uk/guidance/register-a-trust-as-a-trustee and click on the 'register now' button.

To register a trust as an agent, go to www.gov.uk/guidance/register-your-clients-trust and click on the 'register now' button.

Please note, the digital live service email address included in previous communications is no longer in use for general enquiries, please contact the trusts helpline <https://www.gov.uk/government/organisations/hm-revenue-customs/contact/trusts> or raise a ticket via the appropriate page within the Trust Registration Service.

Agent Forum (AF)

As at the end of August 2021, the Forum had 1728 registered subscribers with 36 joining in August, including Professional Bodies, which exceeds the amount of 1229 users signed up to its predecessor forum. We are separately inviting various customer groups with Capital Gains payment liabilities or Trust registration responsibilities to HMRC; the Law Society and Society for Trust and Estate Practitioners (STEP) amongst them. Registrations have exceeded the levels of its former platform and will continue to grow as new Agents are invited to register as part of their email Agent journey. Participation and issues traffic are also increasing. We are also stepping up our recruitment of internal HMRC users.

In 21/22 we have received 451 widespread issues so far, dealing with and closing 400 across all Heads of Duty. We continue to support agents and their clients through the COVID-19 crisis and have a live dedicated panel to deal with related issues and publish guidance for all associated schemes including the Self-Employed Income Support Scheme (SEISS) and Job Retention Scheme (JRS). We have set-up two new boards, one for Agent Forum user information which will make the guidance easy to access and one for the Issues Overview Group (IOG) escalated issues. We have in conjunction with our IOG stakeholder colleagues, put in place procedures to identify high priority widespread issues to be taken forward for resolution with our internal technical specialist and communications partners. This is being monitored by the Agent Forum team and others.

We continue building our internal HMRC Subject Matter Experts (SMEs) capability, formalising recruitment from across HMRC to improve the quality and timeliness of issue resolution responses and to focus on Agent Forum operations. Performance metrics so far for 21/22 include over 22,100 forum views. All posts are moderated daily with appropriate responses given, as determined by subject matter, related traffic generated, and referrals provided by lines of business. We have reviewed our performance metrics to more effectively manage our live 'aged cases' portfolio, given we better understand new functionality provided by the MS Dynamics platform.

The Digital Customer Support Services (DCSS) Agent Team is staffed by a Service Manager and 3.5 FTE Moderators.