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Amendments to Tax Returns: HMRC Call for Evidence

Response by the Chartered Institute of Taxation

1 Introduction

- 1.1 We surveyed our members between 4 December 2018 and 7 January 2019 for their views on the questions posed by HMRC in their Call for Evidence ‘Amendments to tax returns’ which was published on 7 November 2018. The survey was run in conjunction with the Association of Taxation Technicians (ATT). It asked about the operation of the amendment process across the taxes and gave respondents the opportunity to add their own comments. We have used the survey responses to inform our response to the Call for Evidence.
- 1.2 431 people completed the survey in full. Of these, 319 (74%) were CIOT members. The survey questions and results are attached to this response in an appendix. Although this is a relatively small sample of our total membership, we believe that, taken in conjunction with other evidence drawn from the experiences of the CIOT community, it does fairly represent as far as possible the range of views and experiences of the wider CIOT membership.
- 1.3 Where percentages are quoted in this report, they are percentages of members who responded to the respective survey question. Percentages have been rounded to the nearest whole number.
- 1.4 Half of respondents said they work for a small accountancy / tax practice or as a sole practitioner, whilst 19% work in a medium sized practice, 13% in a Top 20 practice and 3% for a Big 4 firm. 9% work in Commerce and Industry and 3% in a legal practice. 3% work for other types of organisation or are retired. These percentages are not representative of our membership as a whole. In general, we tend to receive more responses to our surveys from those of our members who work in smaller firms or have their own practices, as they are subject to fewer limitations in responding to surveys or giving their own views than those that work in larger firms.
- 1.5 Because about 90% of respondents are agents, the answers are therefore more likely to represent how agents amend clients’ returns, rather than how clients amend their own returns.
- 1.6 As an educational charity, our primary purpose is to promote education in taxation. One of the key aims of the CIOT is to work for a better, more efficient, tax system for all affected by it – taxpayers, their advisers and the authorities. Our comments and recommendations on tax issues are made solely in order to achieve this aim; we are a non-party-political organisation.
- 1.7 Our stated objectives for the tax system relevant to this response include:

- Greater simplicity and clarity, so people can understand how much tax they should be paying and why.
- Greater certainty, so businesses and individuals can plan ahead with confidence.
- A fair balance between the powers of tax collectors and the rights of taxpayers (both represented and unrepresented).
- Responsive and competent tax administration, with a minimum of bureaucracy.

2 Executive summary

- 2.1 The government's desire to ensure that the tax return amendment process is simple and transparent for taxpayers to use is not, in our view, a priority matter at present.
- 2.2 There are some exceptions, which we note in more detail below, but in general the current system works reasonably well and is reasonably well understood.
- 2.3 In our opinion, a review of the tax administration system as a whole is needed, rather than just a small part of it in isolation. The Taxes Management Act 1970 in particular is desperately in need of a review. This would be a major project, but in the interests of ensuring we have an effective and efficient tax system fit for the future, it is clearly an important one that needs serious consideration. The CIOT would be pleased to offer its assistance to HMRC with such a project.
- 2.4 Given the many differences between the different taxes and how they are returned to HMRC, making an amendment process consistent across taxes will be difficult to achieve without other changes also being made to the tax system. Whilst a consistent process is desirable, and indeed three quarters of respondents to our survey think it would be beneficial, it is unlikely that this can be achieved completely without significant time and resources being made available for the task by the government.
- 2.5 However, this should not stop HMRC considering how a more streamlined digital amendment process can be introduced for each individual tax. In fact, 85% of respondents said that they would prefer to make amendments to returns using a digital online process. The place to start would be by looking at how more amendment processes across the different taxes can be made available online / via software without needing to make significant changes to the way each tax is charged or administered. For example, there is currently no online amendment process for income tax self-assessment (ITSA) returns outside the enquiry window, and no online amendment option at all for Inheritance Tax, Stamp Duty Land Tax (SDLT), VAT (for errors not able to be included in the next VAT return) or forms P11D/P11D(b).
- 2.6 We recommend that the government should aim to provide that all amendments can be made online / using software in the short to medium term. The results of our survey indicate that where online processes are available, they appear to be the most popular route to making an amendment because they are quicker and easier to use compared with using paper / post routes.
- 2.7 However, online processes should not be compulsory. The results of our survey indicate that most respondents think that a digital amendment process should be optional, but available for all taxes. It is also important to retain non-digital options so that the digitally excluded taxpayer population can comply. Offline channels (such as telephone and paper) must therefore be maintained for those who need them.
- 2.8 Some of the most problematic areas of the current amendment process revolve around delays in HMRC acknowledging, processing and responding to amendments, particularly those done on paper. Making an

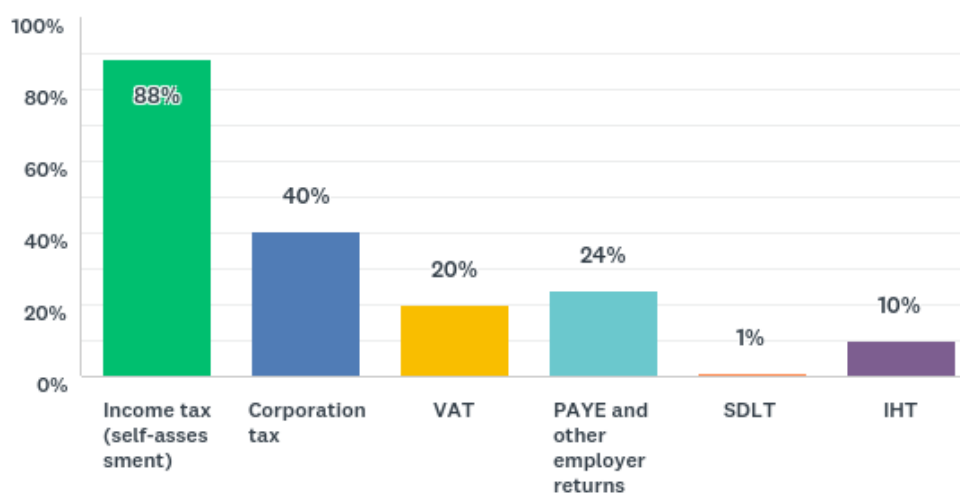
online process available across all taxes should help to reduce such delays but, in the meantime, we strongly recommend that HMRC consider how it can improve response times.

- 2.9 There were also many complaints about errors being made by HMRC when processing amendments. An automated process should help to reduce the number of errors but, in the meantime, we strongly recommend that HMRC consider how it can reduce processing errors.
- 2.10 A combined process between taxes may be welcomed by advisers working in small practices but is unlikely to be something used by large firms of advisers who will tend to have different staff dealing with different taxes for each client. Therefore, if a combined process is introduced it should be optional not compulsory.

3 Q1a: Which taxes do you submit returns for?

- 3.1 Our members submit returns on behalf of their clients for a range of taxes. Reflecting the fact that most respondents to our survey told us they work in accountancy and/or tax practices, the most common returns dealt with are income tax self-assessment (ITSA) returns, corporation tax returns, VAT returns and PAYE and other employer returns (such as Forms P11D).
- 3.2 Question 3 of our survey asked, 'For which taxes do you commonly amend returns? [Tick all that apply]'. 429 people responded to the question and the results are shown in the following table.

For which taxes do you commonly amend returns? [Tick all that apply]



4 Q1b: How do you make amendments for each tax?

- 4.1 Question 4 of our survey asked, 'For those taxes for which you submit amendments, how do you normally do this?' The full results are shown in a table in the appendix (paragraph 4). The results reflect the fact that the methods available for amending returns vary for different taxes.
- 4.2 One answer choice for this question was 'N/A'. In evaluating the answers, we have assumed that those people who answered 'N/A' do not deal with amending returns for that particular tax, and so we have only referred

to the number of people who provided a substantive response to the question. Considering each tax in turn, the results show the following:

- 4.3 **ITSA:** 382 people provided a substantive response to this question. A very significant number of them (369 or 97%) told us that they normally submit amendments by filing an amended return online, making it by far the most popular route to amending an ITSA return. This will be because ITSA returns that have been submitted online originally can be amended online so long as the amendment is done within the statutory window (within 12 months of 31 January following the end of the tax year (eg 31 January 2019 for a 2016/17 Tax Return). Just under half (184 or 47%) may submit an amendment by letter or in writing to the tax office. This is likely to be either because the original return was filed on paper, or because the taxpayer is outside of the statutory window for making an amendment to the return and is using the 'overpayment relief' process which must be done in writing. A smaller number (79 or 20%) may file an amendment in the form of a paper ITSA return. Lesser used routes are by making an amendment by telephone (32 or 8%) and making an adjustment in a later return (44 or 11%).
- 4.4 **Corporation Tax:** 194 people provided a substantive response to this question. A very significant number of them (173 or 89%) told us that they normally submit amendments by filing an amended return online, making it the most popular route to amending a Corporation Tax return. This is likely to be because corporation tax returns that have been submitted online can be amended online (but do not have to be) so long as the amendment is done within the statutory window (within 12 months of the original filing deadline which is 12 months after the end of the company's accounting period). Just under a third (63 or 32%) may submit an amendment by letter or in writing to the tax office. This is likely to be because amendments within the statutory window may be done in writing, as well as online. If it is too late to make an amendment, it is necessary to advise HMRC in writing. A smaller number (18 or 9%) may file an amendment in the form of a paper Corporation Tax return. Lesser used routes are by making an amendment by telephone (8 or 4%) and making an adjustment in a later return (21 or 11%).
- 4.5 **VAT:** 107 people provided a substantive response to this question. The most common method of making an amendment is by making an adjustment in a later VAT return (63 or 59%). This would account for voluntary disclosures that are within the threshold for self-adjustment in the VAT return. 47 or 44% may submit an amendment by letter or in writing to the tax office, which is the procedure for making voluntary disclosures that exceed the permitted thresholds for self-adjustment or for deliberate inaccuracies of any size. 18 or 17% told us that they normally submit amendments by filing an amended return online, although we would assume that this refers to filing a VAT return online that includes a correction within the voluntary disclosure thresholds as there is no other method to correct VAT returns online. Lesser used routes include:
- making an amendment by telephone (5 or 5%). As it is not possible to make [corrections to VAT returns by telephone](#), we assume this refers to errors found in VAT returns during pre-credibility checks by HMRC, typically dealt with over the phone;
 - filing an amended paper return (7 or 6%). We assume that this relates to taxpayers that hold an exemption from online filing but have included an adjustment in the next paper return.
- 4.6 **PAYE and other employer returns:** 110 people provided a substantive response to this question. Two thirds of them (74 or 67%) told us that they normally submit amendments by filing an amended return online (this is probably because, with few exceptions, under the PAYE Real Time Information (RTI) process, PAYE has to be reported online and amendments to Full Payment Submissions (FPS) have to be made online too, as do any post-year end corrections (currently by submitting an End of Year Update (EYU) but the EYU process is being changed as it required 'differences' to be reported rather than the correct total figures). Just over a third (40 or 36%) may submit an amendment by letter or in writing to the tax office. A smaller number (20 or

18%) may file an amendment in the form of a paper return. The reason amendments are filed in writing or using a paper form is probably because there is no online service for PAYE Settlement Agreements (PSAs), although the government did announce in 2017 that an online service would be introduced in 2018 this development was postponed, and all corrections to P11Ds/P11D(b) have to be submitted on paper even if the original return was filed online. Lesser used routes are by making an amendment by telephone (7 or 6%) and making an adjustment in a later return (9 or 8%).

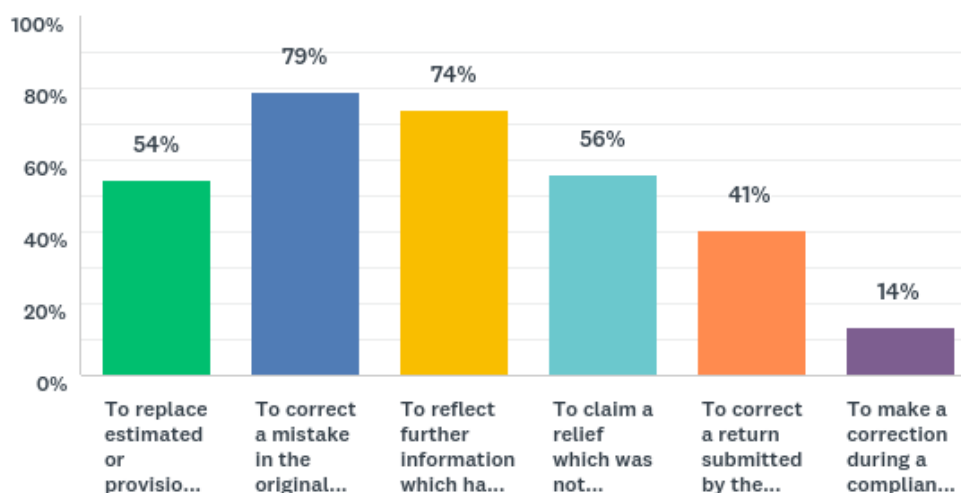
4.7 **SDLT:** 8 people provided a substantive response to this question. As it is not possible to amend an SDLT return online, the most popular means of amending a return is by letter or in writing to the tax office (7 or 88%). Minor corrections to SDLT returns may be done by telephone.

4.8 **Inheritance Tax:** 51 people provided a substantive response to this question. Since an online filing option is not available for amending Inheritance Tax returns, the most popular means of amending a return is by letter or in writing to the tax office (44 or 86%), followed by filing an amended paper return (16 or 31%).

5 Q2: What are your reasons for making amendments?

5.1 Question 5 of our survey asked, 'What are the main reasons for making amendments to returns?' 427 people responded to this question. The question suggested various reasons for needing to make an amendment to a return. The two most common reasons given were to correct a mistake in the original return and to reflect further information which has come to light since the return was filed.

What are the main reasons for making amendments to returns? [Tick all that apply]



This question is reproduced in full at paragraph 5 in the appendix.

6 Q3a: Do you find it easy to make amendments to returns? Is the process complicated?

6.1 Question 6 of our survey asked, 'How complicated do you find the process of making amendments to returns?' There were 430 responses to the question. The full results are shown in a table in the appendix (paragraph 6).

- 6.2 One answer choice for this question was 'N/A'. In evaluating the answers, we have assumed that those people who answered 'N/A' do not deal with amending returns for that particular tax, and so we have only referred to the number of people who provided a substantive response to the question. Considering each tax in turn, the results show the following:
- 6.3 **ITSA:** 383 people provided a substantive response to this question. A significant number (177 or 46%) told us that the process of making amendments to ITSA returns is very straightforward. A similar number (174 or 45%) told us that the process is fairly straightforward. This is likely to be because amendments within the statutory window are done online, if the original return was filed online. 25 or 7% consider the process to be fairly complicated. Only a very small number (7 or 2%) feel that the process is very complicated.
- 6.4 **Corporation tax:** 195 people provided a substantive response to this question. A significant number (80 or 41%) told us that the process of making amendments to Corporation Tax returns is very straightforward. A slightly higher number (86 or 44%) told us the process is fairly straightforward. This is likely to be because amendments within the statutory window can be made online. 25 or 13% consider the process to be fairly complicated. This may be as a result of complications that can arise, such as where a long accounting period or group relief is involved. Only a very small number (4 or 2%) feel that the process is very complicated.
- 6.5 **VAT:** 110 people provided a substantive response to this question. The results were not as clear as those for ITSA and Corporation Tax. Only 14 or 13% consider the process of making amendments to VAT returns very straightforward. Just over half (58 or 53%) told us that the process is fairly straightforward. 27 or 25% consider the process to be fairly complicated. A small number (11 or 10%) feel that the process is very complicated. A taxpayer must determine whether the value of the error meets the voluntary disclosure thresholds where self-adjustment in the next VAT return is permitted (ranging from £10,000, or up to £50,000 if 1% of Box 6). However, if the inaccuracy was deliberate, this option is not available. Deliberate inaccuracies and errors over the thresholds must be disclosed via post using Form 652. Note that even where the error values meet the thresholds to be permitted to be included in the next VAT return, the taxpayer may still need to write to HMRC to disclose the circumstances so that HMRC may consider the penalty position. It is easy to understand why 35% of respondents indicated that they found complications arising when disclosing VAT errors.
- 6.6 **PAYE and other employer returns:** 116 people provided a substantive response to this question. Their responses show that they consider that PAYE and other employer returns are the most complicated to amend out of all the taxes. A significant minority consider the process to be either fairly complicated (31 or 27%) or very complicated (27 or 23%). 36% (or 42) find the amendment process fairly straightforward but only 14% (or 16) think it is very straightforward. The reason many consider the process to be complicated may be because there is more than one way to correct a mistake with an employee's pay or deductions reported under RTI. The employer, or agent, can update the year-to-date figures in their next regular FPS submission (this may have state benefit entitlement implications for affected employees), or send an additional FPS before the next regular FPS is due (but instead of reporting the 'correct' figures the employer has to update the 'this pay period' figures with the difference between what they originally reported and the correct figures and report the correct year-to-date figures) or, if the mistake was in a previous tax year an Earlier Year Update (EYU) is required (the EYU must show the difference between the amount of National Insurance originally deducted and the correct amount that should have been deducted). It should, however, be noted that HMRC has indicated that the EYU process will be withdrawn at some point and employers will be able to amend mistakes in a previous tax year by submitted an amended FPS.

- 6.7 **SDLT:** 8 people provided a substantive response to this question. Over half (5 or 63%) consider the process to be fairly straightforward but no one thinks it is very straightforward. 1 (or 12%) person considers the process to be fairly complicated and 2 (or 25%) responded that the process is very complicated.
- 6.8 **Inheritance Tax:** 50 people provided a substantive response to this question. The majority of respondents were split between considering the process to be fairly straightforward (22 or 44%) and fairly complicated (17 or 34%). Very few respondents (3 or 6%) consider the process to be very straightforward. 8 (or 16%) consider it to be very complicated. It is generally recognised that completion of forms Inheritance Tax Account IHT400 and Corrective Account IHTC4 can be far from straightforward. That, coupled perhaps with the degree of familiarity respondents had with it, could account for the diverging responses to this question.

7 **Q3b: How long does the amendment process take?**

- 7.1 Question 7 of our survey asked, 'How time-consuming do you find the process of making amendments to returns (excluding time taken by HMRC in processing amendments)?' There were 428 responses to the question. The full results are shown in a table in the appendix (paragraph 7).
- 7.2 One answer choice for this question was 'N/A'. In evaluating the answers, we have assumed that those people who answered 'N/A' do not deal with amending returns for that particular tax, and so we have only referred to the number of people who provided a substantive response to the question. Considering each tax in turn, the results show the following:
- 7.3 **ITSA:** 380 people provided a substantive response to this question. The majority of them (281 or 74%) told us that the process of making amendments to ITSA returns is either very quick or fairly quick. This is likely to be because amendments within the statutory window can be done online, if the original return was filed online. 90 or 24% consider the process to be fairly time-consuming. This is likely to be because amendments outside the one year window must be completed using the 'overpayment relief' process, which cannot be done online. Only a very small number (9 or 2%) feel that the process is very time-consuming.
- 7.4 **Corporation tax:** 193 people provided a substantive response to this question. Just under two-thirds (125 or 65%) told us that the process of making amendments to Corporation Tax returns was either very quick or fairly quick. This is likely to be because amendments within the statutory window can be made online. Just under a third (60 or 31%) consider the process to be fairly time-consuming. This is probably because amendments outside the one year window cannot be done online and must be done in writing to HMRC. Complications arising from a long accounting period, repayment claim or group relief can also make the process more time consuming. Only a very small number (8 or 4%) feel that the process is very time-consuming.
- 7.5 **VAT:** 103 people provided a substantive response to this question. The results were not as clear as those for ITSA and Corporation Tax. Responses were evenly split between the process of making amendments to VAT returns being fairly quick (39 or 39%) and fairly time-consuming (40 or 39%). 15 or 15% think the process is very time-consuming, and only 9 or 9% consider the process very quick. As previously stated, there is a several step process in order to know whether an error correction can be included in a VAT return. If you are familiar with the process and rules, this may not seem complex, but for a taxpayer or agent correcting a VAT return for the first time or only occasionally, they may need to revisit guidance each time to ensure all the required steps to correct are followed correctly.

7.6 **PAYE and other employer returns:** 115 people provided a substantive response to this question. In contrast to ITSA and Corporation Tax returns, respondents report that they find making amendments to PAYE and other employer returns time-consuming. Over two thirds of respondents (83 or 72%) think the amendment process is either fairly time-consuming or very time-consuming. 23 (or 20%) say the process is fairly quick with only 9 (or 8%) saying it is very quick. The reason so many find the process time-consuming may be because, as noted above, there is more than one method to correct RTI returns. It may also be because a significant minority of employers have had problems with, for example, HMRC duplicating employee records (there are many reasons why this may happen so it is not a simple matter that the 'fault' is either HMRC's or the employer's). But the result of FPS processing mistakes is that often the amounts of tax and NICs etc employers are due to pay have been recorded incorrectly and it can take a very long time for the records to be corrected. There is no simple means to cleanse data (employers cannot submit an 'alignment' return to show the total amounts paid to every employee in the year-to-date, which would allow employer's and HMRC's records to be aligned), with the result that significant time is required analysing HMRC's and the employer's records to identify the differences. Even then it can be difficult to make an amendment to correct these differences. Additionally, with P11Ds and form P11D(b), as there is no online process for correcting mistakes, it is time consuming for employers and agents to prepare and submit amending returns on paper.

7.7 **SDLT:** 8 people provided a substantive response to this question. Over half (6 or 75%) consider the process to be fairly time-consuming or very time-consuming. This may be due to the process having to be done in writing, or perhaps unfamiliarity with the process. 1 (or 13%) person considers the process to be fairly quick and 1 (or 12%) responded that the process is very quick.

7.8 **Inheritance Tax:** 50 people provided a substantive response to this question. Until recently, HMRC accepted minor amendments by letter. Now, completion of a Corrective Account IHTC4 is required in all cases; this can be burdensome and could explain why the majority of respondents were split between considering the process to be fairly time-consuming (17 or 34%) and very time-consuming (18 or 36%). Only one respondent considers the process to be very quick. 14 or 28% consider it to be fairly quick.

8 **Q4: If you submit amendments for different taxes, are there any (or elements of any) that are easier or more difficult than others?**

8.1 Question 9 of our survey asked, 'Are there any specific elements of submitting amendments which you find easier or more difficult than others?' A comment box was provided. Common observations are noted below.

8.2 Online amendments:

- Much easier than other methods
- Using software makes the process simpler and quicker
- Response /processing from HMRC is generally quicker but some respondents noted that there can be delays between HMRC acknowledging the submission and processing the amendment
- HMRC systems automatically update, although some respondents noted that errors can still creep in (for example not all boxes captured)

8.3 Paper returns, sending amendments by letter / in the post:

- Time consuming compared to doing it online
- It typically takes an unacceptable length of time for HMRC to respond
- Amended paper returns can take months to be processed by HMRC and are often captured incorrectly

- The problem is exacerbated as there is no alternative to making an amendment on paper in some circumstances, (eg amendments to ITSA returns more than one year old cannot be done online. A form has to be completed and posted to HMRC for VAT amendments exceeding £10,000)
- Sometimes it is not clear to which HMRC postal address to send the amendment

8.4 Tracking process:

- An online tracking process showing the stage the amendment is at would be extremely useful for all taxes.

8.5 ITSA:

- Amending returns online / via software is usually very quick and easy, but this option is only available for returns still within the one year amendment window
- It would be less time-consuming and more straightforward to be able to submit amendments for at least four years online / via software (rather than having to use the post for amendments to returns older than one year which must be done via an overpayment relief claim)
- It is time-consuming to amend a return filed by the client or a previous agent as this usually must be done on paper

8.6 Corporation tax:

- As for ITSA, amending returns online / via software is usually very quick and easy, but this option is only available for returns still within the one year amendment window
- Repayments of corporation tax often have to be requested in writing for limited companies (for example where involves repayment of s455 CTA 2010 tax because a director's loan account has been repaid)
- Long accounting periods can be problematic where the amendment is within time for an online amendment, but the first period of the long accounting period is not. The online system will reject the submission, but it is not clear that HMRC have any procedures in place to resolve what is, we understand, a 'known issue'
- Amendments involving group relief can be complex and time-consuming, especially where adding to an existing loss claim
- The process of making, as well as amending, loss carry back claims can be complicated because the claims must be done in both the period in which the loss is generated and the period it is used for them to be processed
- An amendment to the CT return for one company might change the tax position of another company due to Corporate Interest Restriction. However, the group relief rules only allow changes to the group relief claim by the original company with the error not any other company which is affected as a consequence of that error

8.7 VAT:

- VAT is subject to a 4-year cap on error corrections which must be maintained because it facilitates easy correction of small errors on the current VAT return without having to re-open and amend the return for the period in which the error occurred
- Correcting minor amendments in the next VAT return is generally straightforward
- It should be possible to resubmit a VAT return before the filing deadline
- There should be an online amendment option for errors over £10,000 which currently have to be done on Form VAT652 (which cannot be submitted online and must be printed off and posted to HMRC)

- It is not clear how error correction will interact with Making Tax Digital (MTD), ie will amending a VAT Return necessitate all the electronic links being updated or not?

8.8 PAYE and other employer returns:

- Correcting Real Time Information (RTI) returns is (quote) ‘unspeakably awful’, a ‘headache’, ‘impossible’, ‘a complete nightmare’ (see our comments above)
- It is generally straightforward to make amendments to RTI submissions via software if the error is spotted quickly and the software can take care of reporting the error (especially if you report it via the next regular FPS), but if you are using HMRC’s Basic PAYE Tools, or your software is basic, or you get confused as to which method of correcting a submission you need to use, or you have an EYU to submit, or HMRC have duplicated records, or HMRC have processed a return wrongly so amounts due to HMRC no longer match what the employer believes is payable it is an absolute nightmare.
- Making amendments after the end of the tax year can be problematic, as can having to resubmit previous months (see our comments above)
- The problems arise with how HMRC handle the amendments, often processing them incorrectly, eg matching payments with the wrong period, or just ignoring them (see our comments above, especially in regard to reporting ‘differences’ rather than ‘correct’ figures and in aligning employer and HMRC records)
- Amending Forms P11D is difficult. It cannot be done online and must be done by letter. Response times are very slow. Often the employee’s records are not updated even when the amendments have been agreed

8.9 Inheritance tax:

- Making amendments to IHT returns is time consuming because there is no online option and no proper electronic calculation of the IHT on the forms
- HMRC take a long time to respond to IHT amendments
- HMRC’s delays cause additional anxiety for bereaved families at an already difficult time
- Sometimes they do not respond at all

9 Q5: How long does it take to get a response from HMRC?

9.1 Question 8 of our survey asked, ‘How long does it, on average, take for you to receive a response from HMRC when you contact them with an amendment? There were 425 responses to the question. The full results are shown in a table in the appendix (paragraph 8). The choices offered were:

1. Less than one week
2. Less than one month
3. Less than three months
4. Over three months

9.2 One answer choice for this question was ‘N/A’. In evaluating the answers, we have assumed that those people who answered ‘N/A’ do not deal with amending returns for that particular tax, and so we have only referred to the number of people who provided a substantive response to the question. Considering each tax in turn, the results show the following

9.3 **ITSA:** 366 people provided a substantive response to this question. The largest number of responses fell into the less than one month (125 or 34%) and less than three month (139 or 38%) categories, with only 46 (or 13%) reporting average response times of less than one week and 56 (or 15%) of over three months.

- 9.4 **Corporation tax:** 186 people provided a substantive response to this question. The largest number of responses fell into the less than one month (63 or 34%) and less than three month (85 or 46%) categories, with only 17 (or 9%) reporting average response times of less than one week and 21 (or 11%) of over three months.
- 9.5 **VAT:** 91 people provided a substantive response to this question. The largest number of responses fell into the less than one month (44 or 48%) and less than three months (30 or 34%) categories, with only 3 (or 3%) reporting average response times of less than one week and 14 (or 15%) of over three months.
- 9.6 **PAYE and other employer returns:** 108 people provided a substantive response to this question. In contrast to ITSA, Corporation Tax and VAT amendments, the largest number of responses fell into the less than three months (37 or 34%) and over three months (36 or 33%) categories, with 15 (or 14%) reporting average response time of less than one week and 20 (or 19%) of less than one month.
- 9.7 **SDLT:** 11 people provided a substantive response to this question. The largest number of responses fell into the less than three months (7 or 60%) and over three months (2 or 20%) categories, with 1 (or 10%) reporting an average response time of less than one week and 1 (or 10%) of less than one month.
- 9.8 **Inheritance Tax:** 51 people provided a substantive response to this question. In contrast to all the other taxes, the largest number of responses fell into the over three months (32 or 63%) category. 13 (or 25%) report average response time of less than three months, 5 (or 10%) of less than one month and 1 (or 2%) of less than one week. As noted previously, HMRC's delays cause additional anxiety for bereaved families at an already difficult time.

10 Q6: What is your interaction like with HMRC when you make an amendment?

- 10.1 Question 10 of our survey asked, 'How do you typically find HMRC when you make an amendment to a return?' There were 428 responses to this question. The full results are shown in a table in the appendix (paragraph 10). Response options were:

1. Helpful
2. Neither helpful or unhelpful
3. Unhelpful

For all taxes, the 'neither helpful or unhelpful' category received the highest number of responses. For most of the taxes, there is a positive net 'helpfulness' response, but this is not the case for PAYE / employer returns. The highest percentage of 'unhelpful' responses relates to PAYE / employer returns. The highest percentage of 'helpful' responses relates to ITSA returns.

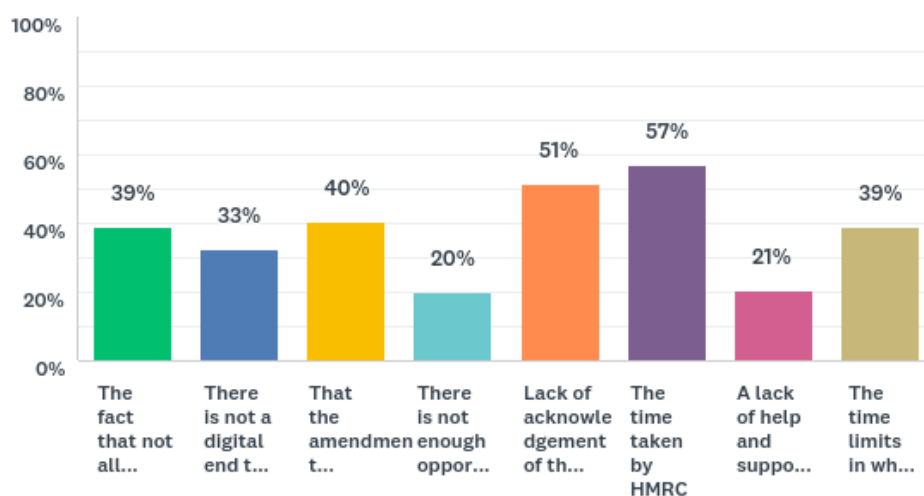
- 10.2 One answer choice for this question was 'N/A'. In evaluating the answers, we have assumed that those people who answered 'N/A' do not deal with amending returns for that particular tax, and so we have only referred to the number of people who provided a substantive response to the question. Considering each tax in turn, the results show the following:
- 10.3 **ITSA:** 369 people provided a substantive response to this question. The largest number of responses (245 or 66%) fell into the 'neither helpful nor unhelpful' category, with 87 (or 24%) considering HMRC to be helpful and 37 (or 10%) considering HMRC to be unhelpful.

- 10.4 **Corporation tax:** 191 people provided a substantive response to this question. The largest number of responses (112 or 59%) fell into the 'neither helpful nor unhelpful' category, with 54 (or 28%) considering HMRC to be helpful and 25 (or 13%) considering HMRC to be unhelpful.
- 10.5 **VAT:** 104 people provided a substantive response to this question. The largest number of responses (59 or 57%) fell into the 'neither helpful nor unhelpful' category, with 28 (or 27%) considering HMRC to be helpful and 17 (or 16%) considering HMRC to be unhelpful.
- 10.6 **PAYE and other employer returns:** 115 people provided a substantive response to this question. The largest number of responses (55 or 48%) fell into the 'neither helpful nor unhelpful' category, with 21 (or 18%) considering HMRC to be helpful. However, a third of respondents (39 or 34%) considering HMRC to be unhelpful. This probably relates to situations where employer payment records do not match so that payments are wrongly allocated. Many employers and agents have found HMRC unhelpful when such mistakes arise. Often a mistake for one month is corrected only to arise again the next month.
- 10.7 **SDLT:** 11 people provided a substantive response to this question. The largest number of responses (8 or 70%) fell into the 'neither helpful nor unhelpful' category, with 1 (or 10%) considering HMRC to be helpful and 2 (or 20%) considering HMRC to be unhelpful.
- 10.8 **Inheritance Tax:** 53 people provided a substantive response to this question. The largest number of responses (23 or 43%) fell into the 'neither helpful nor unhelpful' category, with 19 (or 36%) considering HMRC to be helpful and (11 or 21%) considering HMRC to be unhelpful.

11 Q7: Is there anything about the current amendments processes that causes you difficulty?

- 11.1 Question 11 of our survey asked, 'What do you believe to be the most problematic areas of the current amendments process?' 402 people responded to the question. Eight answer choices were offered, and respondents were asked to select up to three options.

What do you believe to be the most problematic areas of the current amendments process? [Please select up to three options]



This question is reproduced in full at paragraph 11 in the appendix.

- 11.2 As the graph shows, two options were chosen by more than 50% of respondents. These were:

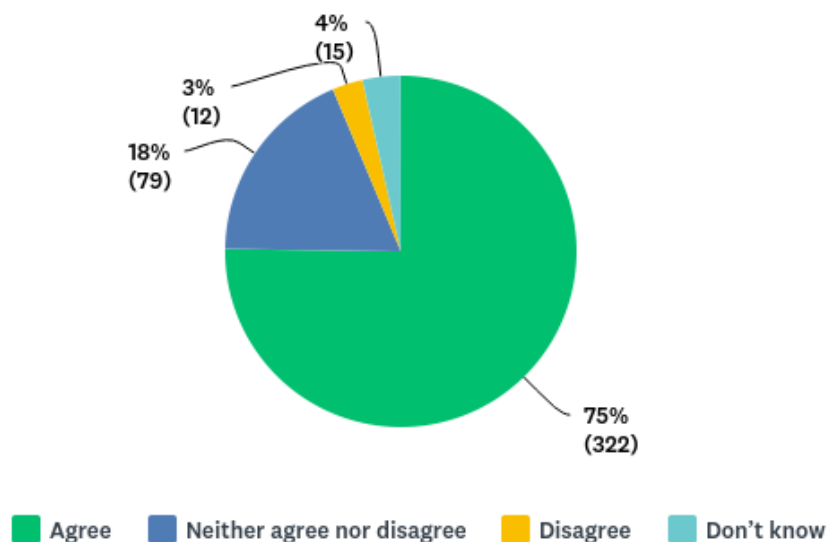
1. The time taken by HMRC to respond to an amendment (57%)
2. Lack of acknowledgement of the amendment by HMRC (51%)

11.3 It indicates, and this is borne out by the comments made and referred to previously, that agents are frustrated by delays in HMRC dealing with amendments, especially those done on paper.

12 Q8: What possible benefits might there be to a consistent amendments process across taxes?

12.1 Question 12 of our survey asked, 'Making the amendment process consistent across taxes would be beneficial'. There were 428 responses to the question. There was a clear majority agreeing that a consistent process across taxes would be beneficial.

Making the amendments process consistent across taxes would be beneficial:



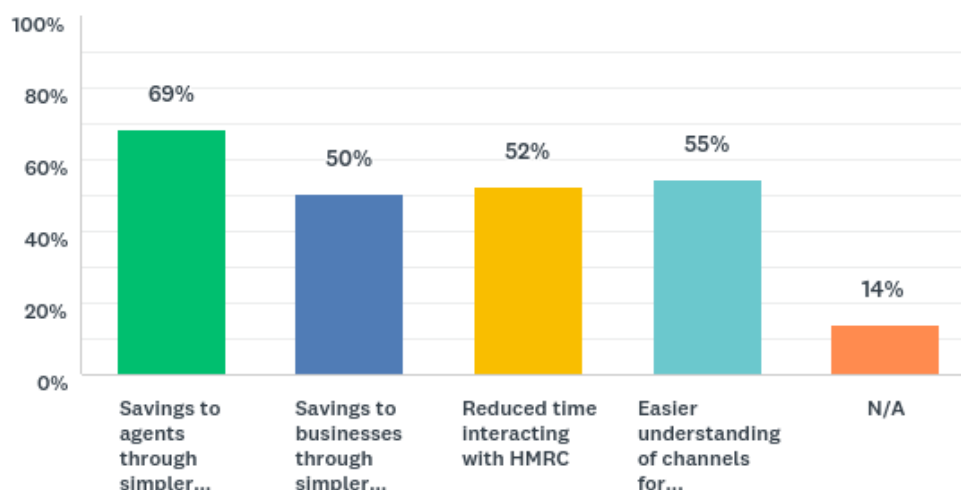
12.2 Given the many differences between the different taxes and how they are returned to HMRC, we think that making an amendment process consistent across taxes will be difficult to achieve without other changes also being made to the tax system. Whilst a consistent process is desirable, and, as noted above, three quarters of respondents to our survey think it would be beneficial, it is unlikely that this can be achieved completely without significant time and resources being made available for the task by the government.

12.3 The place to start would be by looking at how more amendment processes across the different taxes can be made available online / via software without needing to make significant changes to the way each tax is charged or administered. Where online processes are already available, the evidence shows that they are popular, and quick and easy to use.

13 Q9: Do you think having one consistent way to amend all returns will result in savings for businesses? If so, please provide details eg simpler process, reduced contact with HMRC etc.

13.1 Question 13 of our survey asked, 'If you answered 'agree' to the previous question, what do you believe those benefits would be?' 383 people responded to this question. Five answer choices were offered.

If you answered 'agree' to the previous question, what do you believe those benefits would be? [Tick all that apply]



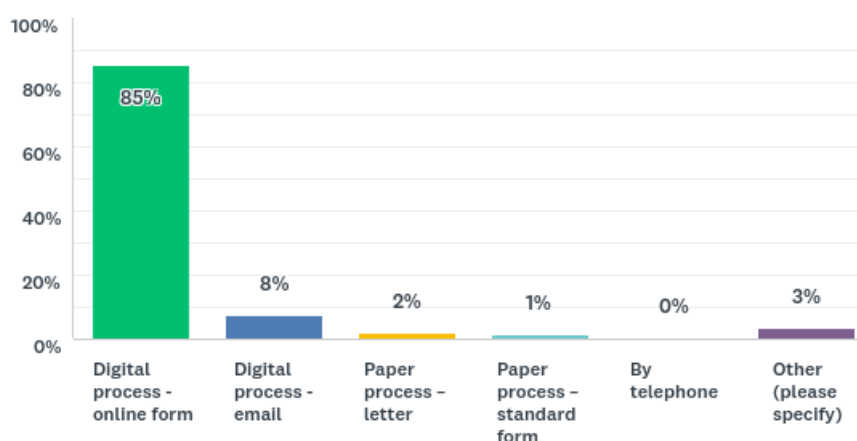
This question is reproduced in full at paragraph 13 in the appendix.

13.2 The clear top choice was selected by 69% of respondents. This was 'savings to agents through simpler processes' confirming previous comments that respondents (who, as noted in the introduction, are predominantly agents) prefer a process that is quick and easy to use.

14 Q10: How would you prefer to make amendments to returns?

14.1 Question 14 of our survey asked, 'How would you prefer to make amendments to returns?' There were 425 responses to this question. Five answer choices were offered. By far the most popular choice was 'digital process – online form' which received 85% of the votes.

How would you prefer to make amendments to returns?

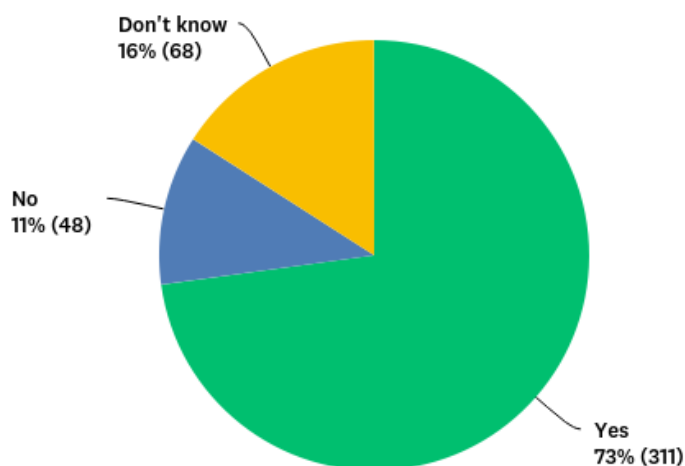


14.2 There was also an 'other' choice giving respondents the opportunity to add their own suggestions. 14 people chose this option. Several responses said that an online option should include resubmission of the original return, with required amendments.

15 Q11: How do you feel about a future single digital amendment process for all taxes?

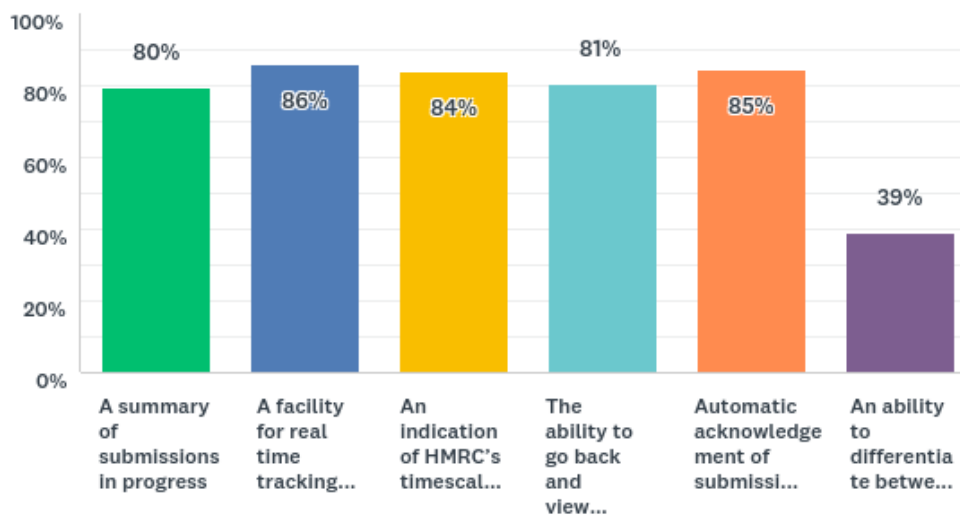
- 15.1 Question 15 of our survey asked, 'Would you support the introduction of a single digital amendment process across all taxes?' There were 427 responses to this question. There was a clear majority in favour of a single digital amendment process for all taxes.

Would you support the introduction of a single digital amendment process across all taxes?



- 15.2 As mentioned already, there are many differences between the different taxes and how they are returned to HMRC, so creating a 'single digital amendment process' across all taxes will be difficult to achieve without other changes also being made to the tax system.
- 15.3 However, this should not stop HMRC considering how a more streamlined digital amendment process can be introduced for each individual tax.
- 15.4 Question 17 of our survey asked, 'If a single digital amendment process were to be introduced, what features would you like this to have?' 414 people responded to this question. Six choices were offered.

If a single digital amendment process were to be introduced, what features would you like this to have? [Tick all that apply]



This question is reproduced in full at paragraph 17 in the appendix.

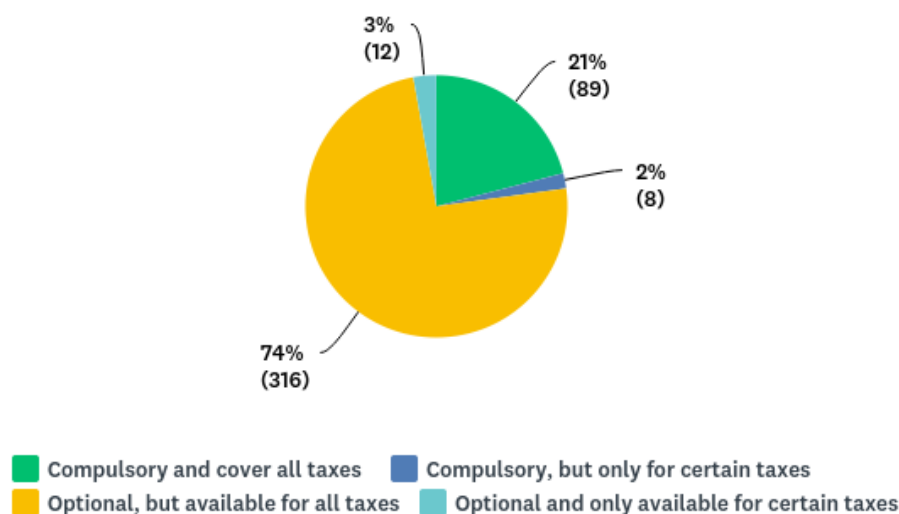
15.5 All but one choice received more than 50% of the votes, indicating that respondents could see the potential for a lot of benefits in a single digital amendment process.

15.6 There was also an 'other' choice for respondents to offer their own views. Additional features suggested are noted below:

- Ability to attach supporting documents and provide narrative explanation for the amendment.
- A contact email address for unanticipated problems.
- Confirmation of amendment and additional tax due as a result of the amendment and how to pay.
- No restriction on the amount of information that can be submitted with the amendment (eg no limit on number of characters).
- Make use of the Agent Services Account to view amendments for each client.

15.7 Questions 18 of our survey asked, 'If a single digital amendment process is introduced by HMRC assuming provisions are made for digitally excluded taxpayers, should this be.....'. There were 425 responses to this question. Four answer choices were offered, as shown in the pie chart below. There was a very clear majority for a single digital amendment process to be optional but available for all taxes.

If a single digital amendment process is introduced by HMRC, assuming provisions are made for digitally excluded taxpayers, should this be:



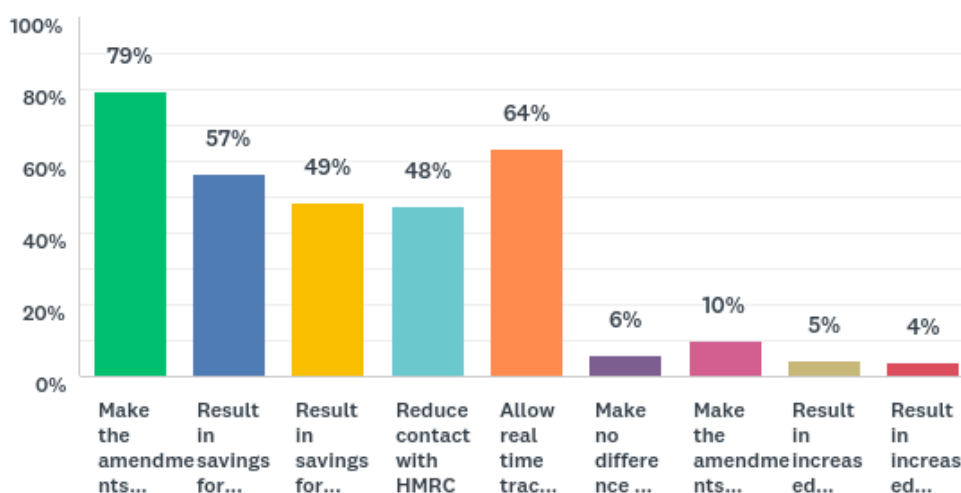
15.8 Question 19 of our survey asked, 'If you selected 'Compulsory, but only for certain taxes' please specify which taxes you believe should or should not be included'. There were only a few responses given that this option only received 2% of the vote (see above). Income tax was the tax most respondents wanted included, followed by corporation tax and VAT. SDLT and IHT were not considered to be suitable for inclusion, as they have different compliance regimes.

15.9 Question 20 of our survey asked, 'If you selected 'Optional and only available for certain taxes' please specify which taxes you believe should or should not be included'. There were only a few responses given that this option only received 3% of the vote (see above). Income tax was the tax most respondents wanted included, followed by corporation tax and VAT. SDLT and IHT were not considered to be suitable for inclusion, as they have different compliance regimes.

16 Q12: Do you think being able to amend returns digitally will result in savings for businesses? If so, please provide details eg simpler process, reduced contact with HMRC etc.

16.1 Question 16 of our survey asked, 'A single digital amendment process for all taxes would.... ' and offered 9 answer choices. 395 people responded to the question.

A single digital amendment process for all taxes would [Tick all that apply]



This question is reproduced in full at paragraph 16 in the appendix.

16.2 Three answer choices each received more than 50% of the votes. These were:

1. Make the amendments process simpler (79%)
2. Allow real time tracking of the progress of an amendment (64%)
3. Result in savings for agents (57%)

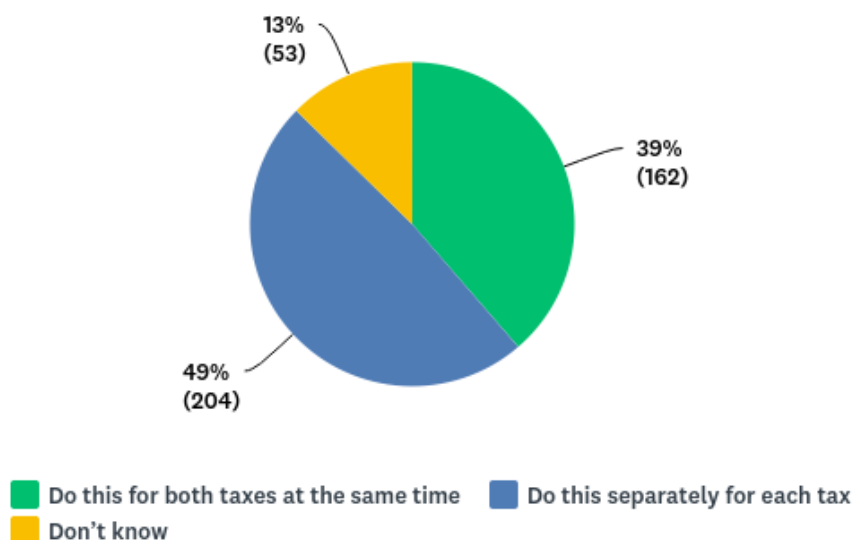
16.3 There was also an 'other' choice for respondents to offer their own views. Common observations are noted below:

- The submission process is currently different across taxes so a single digital amendment process could be difficult to design and operate, unless all returns are streamlined first.
- Trying to make it fit all tax regimes could create more complexity.
- There needs to be flexibility in how agents can approach HMRC to sort problems out. The option of writing to HMRC / telephoning should be retained because there will always be issues that cannot be resolved digitally.
- A new system modelled on the current ITSA system would be worth exploring. At a minimum allow the taxpayer to resubmit original ITSA returns with the required amendment(s) and provide an explanation box for up to four years.
- A single digital amendment process would provide greater certainty that the amendment has been received by HMRC.
- A single digital amendment process should be incorporated into existing digital processes as far as possible.

17 Q13: If you needed to make an amendment that covers multiple taxes (eg correcting IT and VAT) how would you see that working in future? Would you prefer to do each tax separately, or all in one?

17.1 Question 21 of our survey asked, 'If you needed to make an amendment in respect of multiple taxes (eg correcting both income tax and VAT for a missing transaction), would you prefer to....?' There were 419 responses to this question. The largest number of respondents (49%) would prefer to make the amendment separately for each tax.

If you needed to make an amendment in respect of multiple taxes (eg correcting both income tax and VAT for a missing transaction), would you prefer to?



17.2 In our view, a single digital amendment system should be optional, not compulsory. It may suit a small firm of agents or sole practitioner but in larger firms of agents, different people will deal with different taxes across different departments so a compulsory single system would be an added complication for larger firms.

18 Other comments

18.1 Question 22 of our survey asked, 'Do you have any additional comments on the current process of amending any returns or any suggestions for improvement you would like to see introduced?' A selection of comments is noted below:

18.2 General comments:

- *'I don't think this is a priority at all - leave and sort other issues first'.*
- *'Having a single form for taxes that have different timing of returns (monthly/quarterly and annually) dealt with by different people at different times could invite more problems than it solves'.*
- *'It is not really broken. There are bigger matters in tax to be concerned about'.*
- *'Current process works well, so why change it?'*
- *'Other than PAYE amendments I do not think that there is a need to prioritise the amendment process'.*
- *'Digital process would be an improvement but HMRC should not try to make a one-size-fits-all process for all taxes. Each tax needs different information and a single process would slow things down'.*

18.3 HMRC delays and errors in current processes

There were a significant number of comments complaining about the length of time HMRC take to acknowledge and process amendments, as well as complaints about errors being made by HMRC when processing amendments.

- *'HMRC's speed of response needs to be improved'.*
- *'Ongoing issues with HMRC failing to acknowledge receipt of amended returns'.*
- *'There is little if any information provided to agents or taxpayer regarding the progress of an amendment'.*
- *'Faster acknowledgement and processing by HMRC. Currently we are often unable to even confirm a letter has been received for several weeks, let alone processed'.*
- *'Unless can be submitted online, the process becomes slow (HMRC response times) time consuming (reconciling HMRC adjustments to those expected months after the amendment was submitted). Frustrating for clients due to time scales and complexity of HMRC Statements of Account'.*
- *'Making sure HMRC staff are fully trained and follow the following a set procedure, for example: 1. Acknowledge on date of receipt (simple standard letter stating received and a timescale). 2. If delay in replying, a letter / contact advising when the amendment will be dealt with. 3. Final response – NO later than 15 days from original receipt'.*
- *'The submission method will effectively be irrelevant if there is no change to HMRC procedures for processing'.*
- *'HMRC are not processing all amended returns correctly – even if submitted online. Therefore we have to follow up by phone calls to HMRC. They have to refer it to back office, so the person we speak with cannot even action the errors/problems that the HMRC system has created'.*
- *'HMRC should have better communication between different departments where an issue affects more than one tax or taxpayer (eg P11d amendment affecting both employer and employee)'.*

18.4 Digital options

- *'It would be helpful for more forms to be available online therefore saving HMRC and agents / clients time and money. Having the ability to track a submission within our agent account and go back to review them would also be very helpful'.*
- *'The income tax amendment process is useful, and I would be happy for it to be replicated across other taxes. IHT return processing by HMRC is sadly non-functional at present and any improvement here would be appreciated'.*
- *'It would be helpful to be able to re-submit returns within the amendment window without having to do a claim for over-payment relief or having to write to HMRC'.*
- *'The current time limit of amending a SA return electronically is too short. Where additional tax is due, allow online SA amendments for longer than 12 months. Where refunds of tax are needed after 12 months, I understand additional checks may be required but being able to make amendments online would be greatly beneficial (saving agents time and clients fees)'.*
- *'I would like such a digital system to extend to four-year time-limits such as overpayment relief claims. The process for overpayment relief claims is very cumbersome and difficult to unlock valid claims'.*

18.5 Other issues raised

- *'If a P11D is amended I would like to see this flow through to the tax return automatically if it has already been submitted'.*
- *'Consideration of amendment process for in-year SA Returns for deceased individuals'.*
- *'More flexibility via improved white space to enable commentary to explain items in returns -mainly for the non-standard ones such as Employment Related Securities (ERS)'.*
- *'Changes for new clients to returns by previous agent are difficult'.*

- *'Link between filing amendment and notifying\keeping Client Compliance Manager informed would be useful'.*
- *'I frequently submit Enterprise Investment Scheme (EIS) claims amending earlier returns. It would be really useful to be able to submit, on behalf of clients, overpayment relief claims and EIS claims electronically. The EIS claim is particularly laborious if it cannot be claimed via a return (ie c/y or c/y-1) which can happen often. In those cases, every single EIS form has to be completed and signed whereas if the claim could be made online perhaps this would not be necessary. It would save time and keep compliance costs down for clients'.*
- *'Enterprise Investment Scheme claims are almost always made by amending an earlier return. It would be better to have the relief upfront, it would save HMRC time'.*
- *'HMRC training on authority for agents. As I deal with amendments relating to disclosures, I do not submit 64-8s but rather signed authority letters from the client outlining the scope of authority. I have had to go back to HMRC on 3 occasions to explain that 64-8 is not mandatory for me to act for a client and would be inappropriate when not acting for ongoing compliance. Creates significant delay, and issues with clients when they are told I can't act!'*
- *'We need a facility to amend out of time returns to encourage compliance'.*

19 Acknowledgement of submission

- 19.1 We would be grateful if you could acknowledge safe receipt of this submission, and ensure that the Chartered Institute of Taxation is included in the List of Respondents when any outcome of the consultation is published.

20 The Chartered Institute of Taxation

- 20.1 The Chartered Institute of Taxation (CIOT) is the leading professional body in the United Kingdom concerned solely with taxation. The CIOT is an educational charity, promoting education and study of the administration and practice of taxation. One of our key aims is to work for a better, more efficient, tax system for all affected by it – taxpayers, their advisers and the authorities. The CIOT's work covers all aspects of taxation, including direct and indirect taxes and duties. Through our Low Incomes Tax Reform Group (LITRG), the CIOT has a particular focus on improving the tax system, including tax credits and benefits, for the unrepresented taxpayer.

The CIOT draws on our members' experience in private practice, commerce and industry, government and academia to improve tax administration and propose and explain how tax policy objectives can most effectively be achieved. We also link to, and draw on, similar leading professional tax bodies in other countries. The CIOT's comments and recommendations on tax issues are made in line with our charitable objectives: we are politically neutral in our work.

The CIOT's 18,500 members have the practising title of 'Chartered Tax Adviser' and the designatory letters 'CTA', to represent the leading tax qualification.

The Chartered Institute of Taxation

5 February 2019

Appendix**Amendments to Tax Returns****CIOT/ATT Member Survey - Results**

1. Please indicate which of the following professional bodies you are a member of (tick all that apply).

	Responses
AAT	31
ACCA	29
ATT	214
CIMA	1
CIOT	319
ICAEW	97
ICAS	13
STEP	29
None	2
Other	13

2. To help us analyse the results please state which type of entity you work for.

	Percentage	Responses
Big 4 practice	3.25	14
Top 20 practice	12.53	54
Medium sized practice	19.49	84
Small practice including sole practitioners	49.65	214
Legal practice	3.02	13
Commerce and Industry	8.58	37
Other	3.49	15
Total responses		431

3. For which taxes do you commonly amend returns? [Tick all that apply]

429 people responded to this question.

	Percentage	Responses
Income tax (self-assessment)	88.34	379
Corporation tax	40.33	173

VAT	19.81	85
PAYE and other employer returns (eg P11ds)	23.78	102
Stamp duty land tax	1.17	5
Inheritance tax	9.79	42

4. For those taxes for which you submit amendments, how do you normally do this? [Tick all that apply]

	Filing an amendment online		By letter/ in writing to tax office		Filing an amended paper return		By telephone		Adjustment in subsequent return		Other	N/A		Total	
Income tax (self-assessment)	95.10%	369	47.42%	184	20.36%	79	8.25%	32	11.34%	44	0.52%	2	1.55%	6	388
Corporation tax	73.31%	173	26.69%	63	7.63%	18	3.39%	8	8.90%	21	1.69%	4	17.80%	42	236
VAT	10.71%	18	27.98%	47	4.17%	7	2.98%	5	37.50%	63	2.38%	4	36.31%	61	168
PAYE / employer returns	41.81%	74	22.60%	40	11.30%	20	3.95%	7	5.08%	9	3.39%	6	37.85%	67	177
SDLT	0.93%	1	6.54%	7	0.93%	1	0.00%	0	0.00%	0	0.93%	1	92.52%	99	107
IHT	0.00%	0	33.08%	44	12.03%	16	1.50%	2	0.75%	1	2.26%	3	61.65%	82	133
Other	3.92%	4	2.94%	3	1.96%	2	0.00%	0	1.96%	2	0.98%	1	91.18%	93	102
														Answered	430
														Skipped	1

5. What are the main reasons for making amendments to returns? [Tick all that apply]

427 people responded to this question. Responses listed in order of popularity.

	Percentage	Responses
To correct a mistake in an original return	78.92	337
To reflect further information which has come to light since the return was filed	74.24	317
To claim a relief which was not included in the original return	55.97	239
To replace estimate or provisional figures with final ones	54.33	232
To correct a return submitted by the client/a previous agent	40.52	173
To make a correction during a compliance check	13.58	58

6. How complicated do you find the process of making amendments to returns? [Tick one option for each tax you deal with]

	Very straightforward		Fairly straightforward		Fairly complicated		Very complicated		N/A		Total
Income tax (self-assessment)	45.38%	177	44.62%	174	6.41%	25	1.79%	7	1.79%	7	390
Corporation tax	32.00%	80	34.40%	86	10.00%	25	1.60%	4	22.00%	55	250
VAT	7.57%	14	31.35%	58	14.59%	27	5.95%	11	40.54%	75	185
PAYE / employer returns	8.25%	16	21.65%	42	15.98%	31	13.92%	27	40.21%	78	194
SDLT	0.00%	0	4.03%	5	0.81%	1	1.61%	2	93.55%	116	124
IHT	1.99%	3	14.57%	22	11.26%	17	5.30%	8	66.89%	101	151
Other	1.61%	2	5.65%	7	0.00%	0	0.81%	1	91.94%	114	124
										Answered	430
										Skipped	1

7. How time consuming do you find the process of preparing and submitting amendments to returns (excluding time take by HMRC in processing amendments)? [Tick one option for each tax you deal with]

	Very quick		Fairly quick		Fairly time-consuming		Very time-consuming		N/A		Total
Income tax (self-assessment)				19							
	21.45%	83	51.16%	8	23.26%	90	2.33%	9	1.81%	7	387
Corporation tax	14.23%	35	36.59%	90	24.39%	60	3.25%	8	21.54%	53	246
VAT	5.03%	9	21.79%	39	22.35%	40	8.38%	15	42.46%	76	179
PAYE / employer returns	4.69%	9	11.98%	23	27.60%	53	15.63%	30	40.10%	77	192
SDLT	0.81%	1	0.81%	1	3.25%	4	1.63%	2	93.50%	115	123
IHT	0.67%	1	9.33%	14	11.33%	17	12.00%	18	66.67%	100	150
Other	3.31%	4	2.48%	3	1.65%	2	0.83%	1	91.74%	111	121
										Answered	428
										Skipped	3

8. How long does it, on average, take for you to receive a response from HMRC when you contact them with an amendment? [Tick one option for each tax you deal with]

	< 1 week		< 1 month		< 3 months		Over 3 months		N/A		Total
Income tax (self-assessment)	12.01%	46	32.64%	125	36.29%	139	14.62%	56	4.44%	17	383
Corporation tax	6.94%	17	25.71%	63	34.69%	85	8.57%	21	24.08%	59	245
VAT	1.70%	3	25.00%	44	17.05%	30	7.95%	14	48.30%	85	176
PAYE / employer returns	7.89%	15	10.53%	20	19.47%	37	18.95%	36	43.16%	82	190
SDLT	0.83%	1	0.83%	1	5.83%	7	1.67%	2	90.83%	109	120
IHT	0.68%	1	3.42%	5	8.90%	13	21.92%	32	65.07%	95	146
Other	0.84%	1	3.36%	4	2.52%	3	1.68%	2	91.60%	109	119
										Answered	425
										Skipped	6

9. Are there any specific elements of submitting amendments which you find easier or more difficult than others?

Responses to this question were in free text format. They have been analysed and have contributed to our findings.

10. How do you typically find HMRC when you make an amendment to a return? [Tick one option for each tax you deal with]

	Helpful		Neither helpful nor unhelpful		Unhelpful		N/A		Total
Income tax (self-assessment)	22.54%	87	63.47%	245	9.59%	37	4.40%	17	386
Corporation tax	21.86%	54	45.34%	112	10.12%	25	22.67%	56	247
VAT	15.47%	28	32.60%	59	9.39%	17	42.54%	77	181
PAYE / employer returns	10.94%	21	28.65%	55	20.31%	39	40.10%	77	192
SDLT	0.83%	1	6.61%	8	1.65%	2	90.91%	110	121
IHT	12.93%	19	15.65%	23	7.48%	11	63.95%	94	147
Other	2.52%	3	5.88%	7	0.84%	1	90.76%	108	119
Answered									428
Skipped									3

11. What do you believe to be the most problematic areas of the current amendments process? [Please select up to three options]

402 people responded to this question. Eight answer choices were offered and these are listed below in order of popularity.

	Percentage	Responses
The time taken by HMRC to respond to an amendment	56.97	229
Lack of acknowledgement of the amendment by HMRC	51.49	207
The amendment process is not the same across all taxes	40.30	162
Not all channels (eg online, paper, telephone) are available across all taxes	39.05	157
The time limits in which amendments can be made to returns	39.05	157
There is not a digital end to end process across all taxes	32.59	131
There is not enough opportunity to append supporting documentation or explanations	20.15	81

A lack of help and support provided by HMRC when making an amendment	20.65	83
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12. Making the amendments process consistent across taxes would be beneficial:

	Percentage	Responses
Agree	75.23	322
Neither agree or disagree	18.46	79
Disagree	2.8	12
Don't know	3.5	15
Total responses		428

13. If you answered 'agree' to the previous question, what do you believe those benefits would be? [Tick all that apply]

383 people responded to this question. Five answer choices were offered and are listed below in order of popularity.

	Percentage	Responses
Savings to agents through simpler processes	68.67	263
Easier understanding of channels for businesses and agents	54.57	209
Reduced time interacting with HMRC	52.48	201
Savings to business through simpler processes	50.39	193
N/A	14.10	54

14. How would you prefer to make amendments to returns?

	Percentage	Responses
Digital process – online form	85.41	363
Digital process – email	7.53	32
Paper process - letter	1.88	8
Paper process – standard form	1.41	6
By telephone	0.47	2
Other*	3.29	14

Total responses 425

* of those responding 'other', several said that an online option should include resubmission of the original return, with required amendments.

15. Would you support the introduction of a single digital amendment process across all taxes?

	Percentage	Responses
Yes	72.83	311
No	11.24	48
Don't know	15.93	68
Total responses		427

16. A single digital amendment process for all taxes would: [Tick all that apply]

395 people responded to the question. Nine answer options were offered which are listed below in order of popularity. A comments box was also provided. Comments made have been reflected in the main response.

	Percentage	Responses
Make the amendments process simpler	79.49	314
Allow real time tracking of the progress of an amendment	63.54	251
Result in savings for agents	56.71	224
Result in savings for businesses	48.61	192
Reduced contact with HMRC	47.59	188
Make the amendment process more complex	9.87	39
Make no difference to agents or businesses	6.08	24
Result in increased costs to agents	4.56	18
Result in increased costs for businesses	3.80	15

17. If a single digital amendment process were to be introduced, what features would you like this to have? [Tick all that apply]

414 people responded to the question. Six answer options were offered which are listed below in order of popularity. A comments box was also provided. Comments made have been reflected in the main response.

	Percentage	Responses
A facility for real time tracking of the progress of an amendment	85.99	356

Automatic acknowledgement of submission of an amendment	84.54	350
An indication of HMRC's timescales for processing	83.82	347
The ability to go back and view previously submitted and approved/rejected amendments	80.68	334
A summary of submissions in progress	79.71	330
An ability to differentiate between different agents authorised for different taxes	39.13	162

18. If a single digital amendment process is introduced by HMRC, assuming provisions are made for digitally excluded taxpayers, should this be:

	Percentage	Responses
Optional but available for all taxes	74.35	316
Compulsory and cover all taxes	20.94	89
Optional and only available for certain taxes	2.82	12
Compulsory but only for certain taxes	1.88	8
Total responses		425

19. If you selected 'Compulsory, but only for certain taxes', please specify which taxes you believe should, or should not, be included.

Responses to this question were in free text format. They have been analysed and have contributed to our findings.

20. If you selected 'Optional and only available for certain taxes' please specify which taxes you believe should, or should not, be included.

Responses to this question were in free text format. They have been analysed and have contributed to our findings.

21. If you needed to make an amendment in respect of multiple taxes (eg correcting both income tax and VAT for a missing transaction) would you prefer to?

	Percentage	Responses
Do this for both taxes at the same time	38.68	162
Do this separately for each tax	48.69	204
Don't know	12.65	53
Total responses		419

22. Do you have any additional comments on the current process of amending any returns, or any suggestions for improvements you would like to see introduced?

Responses to this question were in free text format. They have been analysed and have contributed to our findings. Where appropriate, representative comments have been used in relevant sections of this response document.