

**HMRC Trusts and Estates Agents Advisory Group and Capital Taxes Liaison Group  
IHT Forum 23 April 2020**

***Operational View, Service Targets and Business Continuity***

The Coronavirus (COVID-19) situation continues to change and, in some areas, we have adapted the ways we are working due to the measures in place to help stop the spread of the virus. Across HMRC we are prioritising our work on a daily basis to provide the best service possible and ensure our more vulnerable customers are supported, alongside providing new support and cashflow to businesses who need it most.

For IHT, although there are some necessary changes to accommodate new ways of working, we are continuing to accept paper IHT400 and IHT100 accounts and all IHT and Trusts post.

In all areas of IHT and Trusts we're currently meeting our published target of clearing 80% within 15 working days. In addition, we are continuing to swiftly clear post that unfortunately falls outside of this timeframe. We are still providing a good level of service on the IHT Helpline and on most days since the beginning of March customers have waited less than five minutes for their call to be answered.

In light of the impact of COVID-19, we are monitoring demand and resource across all workloads and there may be fluctuations in performance over the coming months.

In working with us during this time we ask that your members only call the Helpline after they have made every attempt to resolve the issue and need clarification on specific points. Equally that you ask your members not chase responses for anything that is not absolutely urgent. This will help prioritise resources.

***IHT 421 forms***

In order to protect our ability to deliver critical services we are moving to e-mailing the IHT421 directly to Probate Registries in all cases. HMRC will advise members as soon as this is implemented but we expect it to be during May. We have worked closely with colleagues at Her Majesty's Courts and Tribunal Service (HMCTS) to align our processes here. As such we are confident that unless they hear from us otherwise customers can assume that the IHT421 will be with probate registries within 20 working days; of sending us their IHT 400 or paying any IHT due whichever is later.

The process for confirmation in Scotland is different to the probate process in England and Wales. HMRC will continue to provide the IHT421 back to customers seeking confirmation, such that the requirements set by the Scottish Courts and Tribunals Service (SCTS) can be met.

***Clearance Confirmation and Confirmation Letters***

In 2018/19 HMRC met our published IHT processing targets, and we continue to do so. HMRC regularly monitor their cases so that the small number that fall outside of target timeframes are swiftly acted upon. This includes for the processing of requests for formal clearance.

We will not normally issue clearance if less than a year has passed since the date of death and at this time we are considering if we need to prioritise the initial processing of returns, to ensure customers can gain probate quickly, over longer-term services such as the issuing of clearance confirmations.

***Digital Signatures***

HMRC recognised that the need for all Legal Personal Representatives (LPR) or trustees to physically sign the IHT400 and IHT100 forms has been made difficult with the current measures on self-isolation and social distancing in place.

For this reason HMRC has now agreed a new, temporary, process. Until further notice, HMRC will accept printed signatures on IHT400 and IHT100 forms in the following circumstances.

There is a professional agent acting, and both:

- The names and other personal details of the LPRs or trustees are shown on the declaration page and,
- The account includes a clear and unambiguous statement from the agent to confirm that all the LPRs or trustees have seen the account and have agreed to be bound by the declaration.

The suggested wording for this statement is:

- 'As the agent acting on their behalf, I confirm that all the people whose names appear on the declaration page of this Inheritance Tax Account have both;
  - seen the Inheritance Tax Account and,
  - agreed to be bound by the declaration on (page 14 of the IHT400) or (page 8 of the IHT100).

Updated guidance to this effect has been published on the [IHT 400](#) and [IHT 100](#) pages on .GOV.UK.

### ***IHT Cheque Payments***

We are no longer able to accept payment by cheque. Payment of Inheritance Tax must now be made by one of the other methods of payment listed at [Pay your Inheritance Tax bill](#) on .GOV.UK. We recommend you pay by Faster Payments (online or telephone banking), CHAPS or Bacs to HM Revenue and Customs' (HMRC) account.

### ***IHT Repayments***

Due to COVID-19 HMRC are no longer able to make repayments, of overpaid inheritance tax, by payable order and are therefore writing to taxpayers to get their bank details. This will allow HMRC to pay the money directly into customers' bank accounts by Faster Payments. Customers will need to send this information in writing to HMRC. As an agent acting on behalf of the estate, we will accept your signature on behalf of the personal representatives or trustees, unless you wish to change the name of the account you want it paid to. In that case, all the people who originally signed the form IHT400 or form IHT100 must sign the letter.

For customers applying without the help of solicitor or other agent, the letter containing this information must be signed by all the people who originally signed the form IHT400 or form IHT100.

Please note that we will not be able to issue the repayment unless we have all the information we need and the necessary authorisation.

### ***Electronic Submission of IHT 400 & IHT 100 Forms***

HMRC are looking at options to allow customers to submit forms electronically rather than by post, to help those who are struggling to access offices to complete paper accounts during this time. We are testing technical solutions to confirm the most viable option. One of those possible solutions is Dropbox and we are now performing initial user testing. This will be for

the submission of IHT400 and IHT100 forms and we hope to be able to provide a further update during May.

***Heritage properties and undertakings with regards to conditional exemption***

Due to COVID-19 many heritage properties have closed or delayed opening. Due to these actions properties or assets in the Conditional Exemption Tax Incentive Scheme may not meet their necessary undertakings. HMRC has now [published guidance](#) outlining that HMRC will not consider agreements broken if closures are due to COVID-19 public health measures. This situation will be reviewed regularly.

We continue to adapt our ways of working, prioritise resources and explore what further flexibilities and changes we can make to support customers and their agents during this time.

***Sarah Kelsey, Assets, Residence & Valuation, HMRC***

***Gareth Hiron, Inheritance tax and Trusts operations, HMRC.***

**We have recently received a number of separate enquiries which may be of interest:**

*Is HMRC aware that the changes to the operations of the sheriff's courts may be impacting the ability of individuals to obtain confirmation in Scotland?*

The Scottish Courts and Tribunals Service (SCTS) have advised us that processing of commissary business resumed from 1 May. Operational arrangements are being put in place to properly manage the business that has built up owing to the temporary closure of all but the 10 "Hub Courts". Commissary business will be dealt with by reference to the date any application was submitted to the court(s) and, where possible, will be processed starting with the earliest date of submission.

Further information and updates in relation to court business affected by the COVID-19 pandemic can be found on the [SCTS website](#).

*Can HMRC confirm that the announced deferral of self-assessment payment on account deadlines, applies to trustees and personal representatives?*

The Chancellor announced on 20 March 2020 that to support the self-employed, the next self-assessment payment on account was being deferred until January 2021.

HMRC can confirm that the deferral applies to all self-assessment payments on account, not just those applicable to self-employed persons. The measure was announced to help those self-assessment customers who may find it hard to pay their July 2020 payment on account because of the impact the coronavirus has had on their finances. Any self-assessment customers who have not been affected in this way can, and should, still be paying their July 2020 payment on account by the 31 July 2020 due date.