

## SP 02/03

### **BUSINESS BY TELEPHONE – SERVICES FOR NON CONTACT CENTRE CUSTOMERS**

For the purpose of this Statement of Practice, the term “non Contact Centre Customer” is used to describe callers who contact an Inland Revenue office which is not currently served by a Contact Centre.

The security afforded by Contact Centre technology enables us to offer a wider range of services to customers contacting those centres. We are committed to expand the number of offices which will be served by Contact Centres and we intend that by 2005 nearly all telephone calls will be handled by our Contact Centre network. In the meantime, we are improving the range of services offered to our non Contact Centre Customers.

Previously, Statement of Practice 2/1998, restricted Business by Telephone to individual customers calling on their own behalf. From today’s date, we have extended the service to personal representatives whose identity and credentials can be verified and for whom we hold written evidence of customer consent. We will also now provide some specific information by telephone.

Further guidance will be issued with regard to our contact with voluntary intermediaries (e.g. welfare organisations such as Citizens Advice Bureaux).

This Statement of Practice sets out, in full, the extended services which are now available for non Contact Centre Customers. It supersedes Statement of Practice 2/1998.

Another Business by Telephone Statement of Practice (SP 03/03) is being issued today and will to apply to customers whose affairs are served by a Contact Centre.

#### **SECURITY AND CONFIDENTIALITY**

The Inland Revenue is committed to ensuring the information it receives is accurate and that the privacy of customers’ affairs is protected. For the services described in this Statement of Practice:

- Callers will only be able to supply or amend information concerning individuals’ tax affairs.
- We will take steps to check the identity of the caller before discussing a customer’s tax affairs.
- Callers who fail to satisfy the identity checks will be asked to put their enquiry in writing.
- We will check that we have the customer’s written consent before we discuss their affairs with a personal representative.
- We will carry out sample “call backs” to ensure, amongst other things, that our prescribed security procedures are being followed.

#### **SERVICES AVAILABLE BY TELEPHONE FOR NON CONTACT CENTRE CUSTOMERS**

The services described below are available to individual customers calling about their own tax liabilities, and to personal representatives acting on behalf of the customer **providing that we can satisfactorily check the identity of the caller.**

The directions by the Board of Inland Revenue under section 118 FA 1998 which provide for these services are at annex A.

In most cases nothing more than a telephone call will be needed, although the call may lead to further action by the Inland Revenue (for example, sending out a revised PAYE coding notice). Where business cannot be completed by telephone we will send customers any forms or other information they need and explain what they need to do next.

## **PERSONAL REPRESENTATIVES**

Some people prefer to ask a personal representative, such as an accountant, agent or family member, to deal with their tax affairs for them. We will accept some types of information from personal representatives providing that:

- we have been able to check the identity of the personal representative, and
- we hold written evidence that the customer has given their consent for that personal representative to act on their behalf

Further guidance will be issued with regard to our contact with voluntary intermediaries (e.g. welfare organisations such as Citizens Advice Bureaux).

## **MATTERS THAT CAN BE DEALT WITH BY TELEPHONE**

### **Personal Details**

We will accept the following information over the telephone:

- changes to name, address, post code and telephone number,
- changes in personal circumstances such as marriage, separation or divorce,
- other personal information - for example, National Insurance number and date of birth.

Customers can also tell us when a personal representative is no longer acting on their behalf. However, they will need to send us written consent for any new personal representative who starts to act for them.

### **Employment Details**

We will accept the following information over the telephone:

- details of a customer's new employer and the date when the new employment began,
- a customer's works or payroll number,
- details of earlier employments.

We will not accept details of pay and tax over the telephone. These details should be notified in writing.

### **Personal Allowances**

We will accept current year claims to the following personal allowances by telephone from customers and personal representatives calling on the customer's behalf:

- Personal Allowance,
- Married Couple's Allowance<sup>1</sup>.

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<sup>1</sup> This allowance is available for tax year 2000/2001 and later years where either the husband or wife was born before 6 April 1935.

- Blind Person's Allowance.

The level of a person's income affects their entitlement to the age-related allowances. We will accept new estimates of income over the telephone from customers or personal representatives calling on their behalf. And, using the figures provided, we will advise whether the amount of the customer's allowances will change.

**All claims for previous years must be made in writing.**

### **Expenses**

Some employees are entitled to tax relief for expenses or certain professional subscriptions they incur in carrying out their job. We will accept claims for "flat rate" expenses from customers and personal representatives (Flat rate expenses are fixed amounts we have agreed for certain categories of employees to save them having to make claims for individual amounts.) We will also accept claims for Professional Subscriptions up to a limit of £100. (Most Trade Union subscriptions do not qualify for relief but where, exceptionally, a Trade Union subscription does qualify we will accept claims by telephone.)

We will also accept repeat claims to certain travel expenses, and other necessary expenses of employment where the entitlement has already been agreed in principle.

### **Employee Benefits in Kind**

A customer, or a personal representative calling on the customer's behalf, can tell us by telephone about any benefit in kind, not just the most common ones such as car benefits and fuel benefits.

We will check the details of benefits in kind later, after the end of the tax year. But, telling us about them earlier will help us to keep PAYE tax codes up to date and help the customer to pay the right amount of tax during the tax year. In some circumstances, for example if a benefit is partly for work purposes or a benefit is shared with other employees, we may ask for the details to be put in writing.

### **Other information**

Customers, or personal representatives calling on their behalf, can also help us keep their PAYE tax codes up to date by telling us about:

- receipt of National Insurance Retirement Pension
- receipt of taxable Incapacity Benefit (Incapacity Benefit paid at the short term lower rate for the first 28 weeks is non-taxable)
- small amounts of income, for example bank or building society interest received gross.

Where callers provide information over the telephone about expenses, benefits in kind or other information we will use this to adjust the customer's PAYE code number for the current year and, if appropriate, the next year. Where we need to make adjustments for earlier tax years customers must put the information in writing.

### **TIME LIMITS**

The same time limits apply to claims and elections made by telephone as when they are made in writing.

Where a claim is made by telephone, it will be treated as made at the time of the call provided all the relevant information can be provided by the customer during that call. And a claim by telephone will, of course, be subject to the same conditions and checks as if it were made on paper.

Where a claim cannot be dealt with by telephone, for example, because the caller does not have all the necessary information, the customer may be asked to make the claim in writing. The written claim must still be made within the usual time limits.

### **INFORMATION WE WILL GIVE TO CUSTOMERS BY TELEPHONE**

We will provide the following details to customers, or personal representatives calling on their behalf:

- the customer's Payments on Account,
- any amounts the customer owes us,
- the amount of a repayment awaiting issue,
- amounts of unpaid tax for earlier years included in the tax code for the current year, and
- amounts of tax due for the current year included in a tax code for a later year

### **GUIDANCE AND ASSISTANCE**

In addition to the services above, non Contact Centre Customers can expect the normal range of help and advice by telephone on general tax matters including:

- general questions about income tax and capital gains tax for individuals,
- help with completing returns and other Inland Revenue forms, and
- requests for leaflets, forms, schedules and other Inland Revenue information.

But, please note requests for supplementary pages to the Self Assessment return and the helpsheets mentioned in the tax return guide should be made to the Self Assessment Orderline 0845 9000404 . The Orderline is open from 8.00 am to 8.00 pm 7 days a week.

## **Annex A**

### **DIRECTIONS UNDER SECTION 118 FINANCE ACT 1998**

In the following directions references to ICTA88 mean the Income and Corporation Taxes Act 1988 and references to ITEPA03 mean the Income Tax (Earnings and Pensions) Act 2003.

#### **CLAIMS, ELECTIONS AND NOTIFICATIONS NOT INCLUDED ON A RETURN**

The Commissioners of Inland Revenue hereby direct that from 1 September 2003 an individual who is not required to make a self assessment return for a year under TMA/S8(1), or has made a self assessment return but the time limit specified in TMA70/S9ZA has passed, may:

- make the claims or elections specified below, or
- notify the income or benefits specified below

by telephone PROVIDED THAT:

- claims or elections are for the “current year” (that is the year of assessment in which the claim or election is made) or the year following the “current year”, AND
- the claim or election is made, or the income or benefit is notified, in the manner authorised below.

**THE MATTERS TO WHICH THE DIRECTIONS RELATE ARE AS FOLLOWS:**

***Claims and Elections***

**1** A claim to any of the following personal allowances

Claims to Personal Allowance	under	ICTA88/S257 (1)  ICTA88/S257 (2) (claimant 65 or over)
	or	ICTA88/S257 (3) (claimant 75 or over)
Claims to Married Couple's Allowance	under	ICTA88/S257A (2) This allowance is only available where claimant or wife born before 6 April 1935 but under 75)
	or	ICTA88/S257A (3) (allowance where claimant or wife 75 or over)
Elections for the transfer of 50% of the married couples allowance from husband to wife	under	ICTA88/S257BA(1) (An election under this section must be made before the commencement of the tax year to which it will relate. The only exception to this time limit relates to the year of marriage when the election may be made during that tax year).
Claims to Blind Person's allowance	under	ICTA88/S265 (1)
	or	ICTA88/S265 (2) (allowance to spouse)

**2** A claim to an income tax reduction under the following provision

Relief for interest paid	under	ICTA88/S353
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**3** A claim to make any of the following deductions from income in respect of expenses,

Relief for professional membership fees and annual subscriptions	under	ITEPA03/S343 or S344
Relief for flat rate deductions within the terms of Extra Statutory Concession A1	under	ITEPA03/S367

- 4 A claim to make any of the following deductions from income in respect of expenses (providing the same class of expense was claimed the previous year),

Relief for expenses	under	ITEPA03/S336 ITEPA03/S337 ITEPA03/S338 ITEPA03/S341 ITEPA03/S342 ITEPA03/S346 ITEPA03/S352 ITEPA03/S370 ITEPA03/S371 ITEPA03/S373 ITEPA03/S374 ITEPA03/S376
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***Income and Benefits***

- 5 Notification of any of the any of the following benefits provided by reason of employment

Cash vouchers	under	ITEPA03/S81
Non cash vouchers	under	ITEPA03/S87
Credit tokens	under	ITEPA03/S94
Living accommodation	under	ITEPA03/S102
Cars available for private use	under	ITEPA03/S120
Car fuel	under	ITEPA03/S149
Vans available for private use	under	ITEPA03/S154
Beneficial loan arrangements	under	ITEPA03/S173
Benefits in kind	under	ITEPA03/S201
Payments, etc. free of tax	under	ITEPA03/S222
Director's tax paid	under	ITEPA03/S223

- 6 Notification of any income from employment

## **THE MANNER AUTHORISED FOR DEALING WITH MATTERS BY TELEPHONE.**

### ***Claims and elections***

The claims, and elections specified above may be made orally, in a telephone conversation with a tax office, if made by:

- the individual, or
- where the individual has notified the Inland Revenue that a personal representative is authorised to act on his or her behalf, that personal representative.

(The directions do not apply to claims made by an individual in his or her capacity as a trustee or partner. Such claims must be made in writing)

The claim or election will be treated as made on the date the telephone call is made, so long as the caller provides the information requested by the Inland Revenue during the telephone conversation.

If the caller does not provide the information which the Inland Revenue requests during the telephone conversation a valid claim, or election will not have been made. Failure to establish a valid claim, or election by telephone does not prevent the caller from a further attempt to establish the claim or election. But, any subsequent attempt must be made in writing, within the statutory time limit for making the claim or election.

### ***Income and benefits***

The income and benefits specified above may be notified to the Inland Revenue orally, in a telephone conversation with a tax office, if notified by:

- the individual, or
- where the individual has notified the Inland Revenue that a personal representative is authorised to act on his or her behalf, that personal representative.

The notification will be treated as given on the date the telephone call is made, so long as the individual, or personal representative, provides the information requested by the Inland Revenue during the telephone conversation.

If an individual, or personal representative, does not provide the information which the Inland Revenue requests during the telephone conversation a valid notification will not have been given. The individual, or personal representative, should then write to the individual's tax office to notify them about the income or benefit

## **REVOCAION OF PREVIOUS DIRECTIONS**

The Commissioners of Inland Revenue hereby revoke their directions published on 24 August 1998 with effect from 1 September 2003.