

Syd Silver



Nearly Pensioner

"Demystify the state pension and retirement taxation for me"

Gender: Male

Age: 60 years old

Education: Grammar school until 16, left school at 16 to make own way in the world.

Stage in life: Approaching retirement

Occupation: Self-Employed, run my own successful car dealership business.

Political profile: Tory voter, royalist.

Newspaper: Daily Mail

Location: Hayes, Essex

Demographic: By the time I am 90 in 30 years' time I will be just one individual in a quarter of the UK population who will be 65 or over.

Personal computing and web experience: I have a laptop computer, but frankly I don't really know what to do with it. I don't like computers,

full stop. It's all right for young people, if you're living and brought up with the machines, but when you have to change over from not having access to that and going online it's a bit daunting. My business and life has all been about people, not machines. My son helps me with the computer stuff. When I infrequently go online I suppose I am a silver surfer, or at least that's what my son tells me. I've got my own website for my business, but it was all done by my son, and it does the job, but don't ask me how it works. I'm nervous to try and do something through a website. I was unaware that the HMRC had a website. I don't feel very able or willing to make use of new technology, and have little experience of using IT. I feel I am being increasingly forced to use the Internet because it's the only place where you can find stuff you need, even though I don't understand what was wrong with the old paper and post method, it just seems like another pressure the government is putting on pensioners, as if we've not got enough to worry about. In my business we generate all our invoices through the computer - that is all we use the computer for at the moment. Everything else is on the manual side. Apart from the website, of course. We're not on broadband. We can go on the internet to bring emails in, but then all we get is spam.

Likes and dislikes about websites: If I have to go online I suppose I like websites which are simple, informative, do what they say on the tin. Don't give me any of that flashy stuff. Also don't overwhelm me, that just makes me think you're trying to hide something, and I don't have time - why should I have to plough my way through a load of irrelevant rubbish just because you can't be bothered to make it succinct.

Tax Profile: My accountant sorts out all my tax for me, including my income tax and corporate tax, but I retire in 5 years to be a Pensioner and so will be a tax credit and benefit award holder. I had savings about 5 years ago but lost half when I got divorced. I blew the remainder on a world cruise last year. My accountant is concerned I've not made sufficient provision for my retirement. I don't currently file online as my accountant sorts out all my taxes for me, but I think I might have to get my head around this for when I retire. I've always been a good tax payer, paying all my personal and corporate taxes on time, and I've had an accountant to help me with that - I'm worried that when I retire I'll be having to sort it all out on my own and I'll slip on some banana skins I'd not spotted in time. It's all so confusing I don't know if I'm missing something and will end up not paying enough tax in retirement and then being landed for a bill I can't afford out of my pension. I want to continue being as good a tax payer when I retire as I always have.



Relationship with HMRC: I've never thought about contacting HMRC directly, instead I've chatted to my golf buddies who are my age - and of course my accountant. I may have some stuff sorted but frankly I rely on my accountant to help with tax and pensions related matters. I believe any contact from HMRC would be bad news or a demand for payment. I'm a good tax payer so the least the government can do is equip me with the

necessary information to enable me to 'help myself' and make informed decisions about my retirement. Frankly, although I love Her Maj, I don't really trust the government, or the HMRC with it - Brown's Boys don't really want to let us know what we're entitled to so we don't claim and the government saves money. I believe the HMRC and government should be there to help me, after all I've paid my taxes and filled their coffers - but I don't trust them.

Main reasons I would use the HMRC website: to find state pension information, to find information about the tax implications surrounding state pensions and to find and complete the P161 before state pension age to ensure that tax is deducted correctly. This form also ensures that I as a pensioner will receive the correct level of personal allowance. I need to find the following information from the HMRC website:

- what is taxable
- what do the various tax codes mean
- what are the rules surrounding the state pensionable age
- How much tax I will have to pay as a pensioner
- How I pay my tax as a pensioner
- If I can do this online
- how National Insurance contributions work
- what are the higher and lower levels of NI contribution.
- What are all the various allowances people can get when they reach State Pension Age.
- If I'm eligible for these
- How I can claim these

I need also from the HMRC website:

- to find and complete and return the P161 form online - before state pension age (65) to ensure that tax is deducted correctly
- to be made more aware of the benefits of planning for retirement.
- Show me in simple terms what life would be like if I had made provision for my retirement, and what it would be like if I have not.
- Give me a tailored approach based on my personal circumstances – I am a divorcee – will this impact?
- Give me real-life illustrative examples in case studies
- Give me a list of frequently asked questions (FAQs).
- Give me a Retirement checklist with a step-by-step guide.
- For the next 5 years give me forecasts showing detailed information about entitlements and taxation.
- Signpost the information so I can find it easily.

Critically, the HMRC website would have to be: simple; secure; similar to stuff I know already; supportive; and successful in helping me to complete the job I'm there to do.

Other Relevant Attitudes and perceptions

I've got mixed feelings towards what my experiences of retirement and the future will be. On the one hand it could be a time of choice and adventure, relaxation and an escape from the demands of working life. But I am also a bit worried, my son tells me I've been sticking my head in the sand. I'm worried after working for myself all my life and being in control of myself that retirement may be a time of financial uncertainty, or perhaps boredom, loneliness and lack of purpose. I'm a divorcee.

Like all my golf buddies, I've not made much provision for my retirement – we always denied we were getting older – I was planning to rely on the state pension and I think my accountant may have sorted something out. Frankly I felt I would be penalised as a result of having any substantial pension savings, and thought my ex-wife would also try and claim half of any pension I got, so I have spent most of what savings I had on a great world cruise I went on with a lady friend last year. I didn't want to lose out on extra benefits and entitlements I feel I've earned by paying my way in taxes all my life. I'm 60 so I think it's probably 'too late' now to change things and it's impossible to plan ahead because things change. I'm making the most of each day, living in the moment, I don't like to plan ahead for the future when there may not be much of one left. And the state will always look after me, won't it? Her Majesty's government won't let me fall by the wayside, not after I've been paying my taxes all my life. The government should be on hand to provide guidance and support, and to equip me with the facts necessary to make informed decisions.

I know nothing about the tax and pensions system, it's all very confusing and I don't know where to find the information I'd like to understand. I don't know which aspects of income are taxable and I don't know how much I might expect to receive upon retirement. Although I suppose now would be a good time to talk to my accountant about this. I don't believe the state pension is taxable. I have had the Pensions Forecast, but it came too late to help me. All the information I've had is too lengthy, full of jargon and not specifically tailored to me. I'm self-employed – I don't have time to read all that, only someone who is retired would – and I need to know it before then! On top of all that the whole Internet and technology aspect I find very off-putting as well. Everything's changing and I'm worried I'm being left behind!

Timothy Taxman



Financial Tax Agent and Tax advisor

"Show me the money! Let me view, file and pay tax for my clients quickly and easily"

Gender: Male

Age: 40 years old

Education: Grammar school, O-Levels, A-Levels, degree in Economics, Chartered Accountant.

Stage in life: Married, 2 children aged 8 and 10.

Location: Southampton

Occupation: Professional tax advisor, employed, working for a medium sized accountancy and financial advisory firm. The tax side of my company means we provide a paid service completing and submitting tax returns for our clients, make payments on their behalf and offer tax advice on the self-assessment (SA), Pay As You Earn (PAYE), Corporation Tax (CT) and Value Added Tax (VAT) regimes. The job is mainly a 'client facing' role where I have regular interactions with Clients. As a qualified Chartered Accountant I also do the accounts for these clients.

Political profile: New Labour voter

Newspaper: The Financial Times and Accountancy Age

Demographic: By the time I am 70 in 30 years' time I will be just one individual in a quarter of the UK population who will be 65 or over.

Personal computing and web experience: I have a laptop computer for work and I also have my own at home. I consider myself IT literate. I use the HMRC website at work in a limited way, and I accept I have to use online services but I think the website isn't really geared for professional use, it doesn't meet my expectations. I am an Internet user at home, especially for shopping and for entertainment. I think my role requires a high use of IT, and I know I should embrace, not resist, that change. Indeed, my clients really expect me to be ahead of changes such as online filing and adept in using the most recent accounting software and, furthermore, this knowledge has helped me to market the business to clients. But that's what we're selling to our clients - the fact that we've got that ability, and we spend the time to do that. The introduction of broadband in our company has also prompted me to consider using Online Services more widely as it makes it faster.

Likes and dislikes about websites: I like websites which are about trying to get a job done: simple, informative, fast, efficient and easy to use and friendly. I hate websites which try to be more than that which fill up things with news and stuff I'm in no mood to look at when I'm trying to get a specific job done. I charge hourly rates, so time is money, so things like a website not working efficiently for me is just a money-burner.

Tax Profile: As an agent I manage the tax for clients using the PAYE tax return online through the HMRC website. I only do SA online because I have to as of September last year, but wouldn't have by choice. I have a private pension savings and a company pension and have private investments for savings for my future, including two properties.

Relationship with HMRC: I understand the HMRC wanted agents to file online more and use online services, and accept I will need to adapt to this way of doing things. I only file PAYE online for now, but am likely to register to file other tax strands online in the future. I'm using my PAYE online filing experiences to trial online filing cautiously before committing more fully to it in terms of filing online for other tax strands. I am an accepting but cautious user of the HMRC website. I accept that online filing is the way HMRC is heading. I had filed PAYE online, and am thinking about filing other tax strands, but want to wait and see how PAYE online filing turned out before committing myself further because I remain to be completely convinced about the benefits and the ease of online filing (independent of the PAYE financial incentive). I also do my personal SA online now because I have to, as since September 2008 paper returns are no-longer possible. The senior partners in our business are encouraging us all to go online and use the HMRC, but I am not so enthusiastic - I've got tried and tested methods which make me a very efficient worker, and things like the HMRC website just hold me back. I have registered and received an activation PIN from HMRC and have then subsequently gone on to file tax returns online, partially because my boss is telling me I have to, and also due to financial incentives we are passing on to our clients. I accept online filing in principle, but it annoys me in lots of ways. I know that online filing is available for at least some tax strands and I know that HMRC was keen to migrate customers to online

filing. I wasn't aware of the amount of information offered through HMRC Online Viewing Services, such as viewing real time payments and liabilities for corporation tax, or viewing and downloading client lists (i.e. list of clients registered with each agent). I use HMRC as the primary information source about online filing, but I also get information from colleagues at work, software vendors from Sage and stuff I pick up in Accountancy Age and the FT.

Main triggers to me doing online filing on the HMRC: All employers with 250 or more employees were required to file End of Year forms online by May 2005. HMRC has also made available financial incentives for employers with fewer than 50 employees to encourage them to make the transition from paper to online filing earlier. £825 is available to each employer spread over five years from 2005 to 2010. I thought I would be failing in my professional duty if I did not obtain the financial incentive for my clients. I had charged clients one-off fees for the time and costs involved of implementing online filing. The PAYE financial incentive didn't make me think online filing was beneficial in itself. I believe online filing would soon be mandatory and it might be better to switch now and get used to it than delay.

The HMRC website must help me in these tasks:

Primary:

- Cut to the chase: Give me information on tax legislation, tax manuals and guides and tax tools in relation to SA, PAYE, CT and VAT.
- Enable to me to view client tax details, file tax returns and pay online – fast.

Specifically when I'm dealing with self-assessment clients I need to be able to:

- View: the ability to view a statement of account detailing taxpayer liabilities and payments made
- File: the ability to file a tax return online, using an electronic version of the HMRC return form or through the use of a third party software package
- Pay: the ability to make payments against tax liabilities online

Specifically when I'm dealing with Corporation Tax clients I need to be able to:

- File CT returns over the Internet
- View up to date position on payments and liabilities

Specifically when I'm dealing with PAYE for clients who are employers I need to be able to:

- File end of year returns
- Submit in-year forms
- Receive notifications
- View statutory notices and reminders
- Make payments.

What else I need from HMRC:

Cost savings: in terms of saving paper, photocopying and postage as well as time taken to file

Greater control over the process: receiving automatic acknowledgement from HMRC, enable me to directly input data myself

Quick HMRC processing: resulting in quicker repayment

Make the registration procedure fast and clear and easy to understand i.e. client authorisation forms; register once for different tax strands and don't make me wait to receive activation PINs; don't lose my forms.

Quick and easy access

Speedy, fast and reliable performance I can trust when I want to file online - Remove the technical issues I had with the system and how me it is safe and secure.

Software compatibility between my Sage software packages and HMRC online services. I use software for compiling tax returns for certain tax strands but did not have the software 'add on' to file these online.

Easy to use: I didn't really know what I could file online or how to do it, e.g. I didn't think it was possible to file Company Tax returns online because I thought I needed to attach the company accounts. Make it really easy for me to see which tax strands are online filing is available for.

Financial incentives - none were offered for other tax strands so my clients are not expecting me to file online and I can't pass on the costs of online filing to clients by charging for this service.

Tell me how this will help me in my job and business: I really don't understand the benefits to me for online filing other tax strands. I need HMRC to communicate the benefits to me more clearly before I will devote time to investigating them further. I feel that it is only the HMRC that really benefits from online filing because as an agent I have to spend time learning how to do it and resolving technical problems. Tell me why I should be doing this to help my business. Give me information quantifying the costs and benefits online filing.

Help me: more personalised communications to meet my personal information and support needs; better helpline support as the primary point of contact with the HMRC to resolve online filing queries; agent-specific help, such as an agent page on the HMRC website.

Critically, the HMRC website would have to be: simple; secure; similar to stuff I know already; supportive; and successful in helping me to complete the job I'm there to do.

Sally Self



Self-Assessment tax payer

“Make my self-assessment tax return so easy for me I don’t have to think about it”

Occupation: Marketing manager for large company

Age: 35

Gender: Female

Political: New Labour voter

Newspaper: Guardian, Marketing Week, Marketing magazine.

Education: BA in English, Chartered Marketeer

Stage in Life: Single, no plans for a family or marriage.

Location: Manchester

Computing and web experience: IT literate, have been using computers since university, use computers and the Internet extensively at work. I am online everyday and for most of the day. I shop online at home, and have Broadband and Wireless Lan in my home. I use the web for social networking such as Facebook and use webmail such as hotmail. I use eBay and Amazon the most, and do all my grocery shopping online. I also use Yell.com. I also use the Apple Music Store to buy my music online. I have got to use the Internet now to do my self-assessment for my tax, but this suits me, as I love the Internet and prefer to do everything online. I also have an iPhone. I also do all my banking online. I try to keep up with developments in technology because I believe they make my busy life easier and when I need information the first place I look is the Internet. Using electronic communications is definitely the way forward.

Website likes and dislikes: it depends on the site and why I’m using it. If it’s for social or entertainment stuff then I like it to be friendly with lots of things I can explore and discover and play around with, I want it to be fun. If it’s to get something done which I don’t want to have to do, like tax, make the experience as painless as possible for me so I can get it over and done with and move on. I move around a lot so I need to be able to log in from anywhere and any computer.

Tax profile: I earn more than £40k per annum, so fall into the 40% tax category. I have been in this category for about 6 years, so have had to do self-assessment for that time. I used to do it using the paper and post method. My company does PAYE so my NI and income tax is paid through my salary at source, but each year I am required to do Self Assessment due to my tax bracket. I have shares and a company car and benefits like a mobile phone which I have to register. My only pension is through my employer, but I’m happy with what I’m getting from that so far that I’ll be OK in the future.

Relationship with HMRC: Self-Assessment has to be filed online now, so I am one of about 3 million tax payers doing online SA returns online. I use the HMRC website to do this. I am quite satisfied with the process of completing my tax return online the last time I did this, I found the online tax return ‘easy to use’ the last time I filed online and I’m confident my online tax return had been processed correctly. I think it’s a user-friendly site, actually one of the best government sites. It’s very convenient. It’s very user friendly. The Online help and the facility to review what you have already entered online is great. It’s very good at pointing out if you’ve got something wrong...you can pick up from where you left off and review...which is extremely good.’ ‘The built-in online tax calculator is seen as a great advantage over undertaking manual calculations when completing a paper return.’ ‘It is a real time saver and it stops any transposition of figures where you might make a mistake.

So that very first experience was really as straightforward as I would have hoped it would have been and in fact it was more helpful than doing it on paper because it takes you through the process and does the calculation'. Also once you've done it once it becomes easier because you have a sense of what going to come up next...the more often you do it, the more confidence you have in the facility. SA Online looks professionally designed. Using SA Online saves time. Managing my tax affairs is made easier by using SA Online. It is taking me an hour or less to file online and I complete it in one or two sessions. I'm hooked into it now so will definitely use it again in the future.

Key tasks I need to do on the HMRC website

- Complete the online tax return – whenever I want, and to be able to start it, stop, and come back to it – and from any computer.
- 'Submit' – the online tax return
- 'Liabilities and Payment' – which provides me with online statements and details of my liabilities and payments
- 'Self-serve' – includes a facility to change personal details (i.e. address)
- 'Customer Services' – includes facility to communicate with HMRC by email and receive emails in a secure inbox on the website
- 'Pay' – the facility to make payments to HMRC online



Things I need or expect from the HMRC website:

- Make it quick and easy without any technical glitches – it should take me less time than it used to take me to do it offline on paper.
- Make it clear and easy to understand
- Make it easy for me to find my way around the online tax return
- Make the registration and login process quick and easy
- If I need help then make that really quick and easy, I'll be hacked off by that point
- Make the navigation from the HMRC home page to the SA Online services easier.
- Remove any technical language and generally simplify the language used
- Extend the Online tax return to deal with more complex tax affairs
- Increase the font size
- Highlight September deadline
- Remember my bank details for future use

Critically, the HMRC website would have to be: simple; secure; similar to stuff I know already; supportive; and successful in helping me to complete the job I'm there to do.

Bob Boss



Company Director

"Make it quicker and easier for me to do my business' taxes so I can focus on my customers"

Gender: Male

Age: 49 years old

Education: Grammar school, University degree.

Stage in life: Father of an 18 year old son, married, aims to pass on his company to his son on retirement.

Occupation: Self-Employed, Owner and Director (MD) of a private limited graphic design company with 20 employees, registered for VAT.

Political profile: Tory voter.

Newspaper: Daily Telegraph.

Location: Ealing, London.

Demographic: By the time I am 79 in 30 years' time I will be just one individual in a quarter of the UK population who will be 65 or over.

Personal computing and web experience: Technologically, the United Kingdom is now one of the most wired-up countries in the world and UK businesses are ranked amongst the most sophisticated users of information technology. Culturally, citizens and businesses have come to expect easy-to-use, high quality websites that provide quick access to information and services. These are IT literate individuals. Bob is typical of this group. "I am online everyday and for most of the day. I shop online at home, and have Broadband and Wireless Lan in my home. I use it to book the family holidays, check news and sport and do my banking. I prefer to do all my personal and business administration online as it cuts down on the time and paperwork, it's just cleaner somehow. I have got to use the Internet now to do my self-assessment for my tax, but this suits me, as I love the Internet and prefer to do everything online. I use a Nokia Communicator mobile device but also have an Apple iTouch. I may not be able to create my own website like my son can, but I try to keep up with developments in technology because I believe they make my busy life easier and when I need information the first place I look is the Internet. Using electronic communications is definitely the way forward. I also use the accounting software Sage. I do lots of online banking, I do share trading online, I do most things online these days, shopping as well. I and my employees already use computers fairly extensively in work and we're all pretty familiar with using internet services. I conduct my business (and personal) correspondence via e-mails and am comfortable using a range of packages such as MS Office programs, databases and accountancy packages such as Sage. Confident use of IT is very helpful in my day-to-day business and crucial to help us succeed and remain competitive.

Website likes and dislikes: Generally make the experience as painless as possible for me. I move around a lot so I need to be able to log in from anywhere and any computer. I like websites which don't make me think.

Tax profile: As a self-employed company director I have to do self-assessment. I used to do it using the paper and post method. I used to be a Marketing Director for a large bluechip company, but left a year ago to set up my own company, which has been running for nearly 12 months. For my business I think I have to do VAT, PAYE, Corporation Tax and National Insurance, but I'm not 100% confident, this is all new to me and seems just another confusion I have to find time to sort out when I'm trying to focus on clients and getting the business coming in. I have had recent changes in staffing – employed 10 new members of staff, and am confused about calculating VAT for goods from countries I have not previously purchased from. Corporation Tax is a much harder process, I'm considering getting an agent to help remove this burden, but would rather save the cost if I can and do it myself.

Relationship with HMRC: In any contact I've had with the HMRC they've been pretty helpful. I became initially familiar with the HMRC from Self-Assessment. Mainly did paper returns until I did SA for the first time online last year. Primarily I need to be able to go onto the HMRC to find out about, file and pay tax returns online. I see business and practical benefits for online filing to save time and resources so I can focus on my customers. It also provides wider benefits by saving paper and ultimately reduces the administrative cost to tax payers and so in the long-run my business. I feel the HMRC now display a clear and approachable tone in communications. Guidance provided by HMRC in leaflets, over the phone, through the website and in general correspondence has improved and are fairly helpful, clear and reasonable. I also believe the HMRC has been working hard to remain tough on those who purposefully avoid or underpay tax, while being more considerate to those like me who may just be unsure of how to handle their tax affairs or make genuine mistakes. It's probably an advantage [compared to paper] to do online filing because you don't need to post all of this stuff to them. And you get an answer right away that they've received your details. When you submit it, it comes back and tells you they've got it. So therefore they know especially with tax code changes and things like that, you know that they've got the details. Details and the names and so on, are set up, you've only got some to put in, and so everything's sitting there waiting on you. It's obviously much quicker than paper, you don't have to fill a form in where you can possibly make mistakes because I think the software has built in validations, so you can't put something silly in a box. And a lot of the boxes are already completed with figures for you, which is helpful. It's an important issue, end of year filing, I think it's just wanting to get it right, and it's always a bit of a stressful time. So it adds to the pressure I think, that you've then got to try and do something else with it that you're not used to doing. Tax is inherently worrying, with the pressure of making mistakes or missing deadlines. In light of this any uncertainty over the filing process is just an extra unnecessary stress. The prospect of any additional challenges (particularly at year end), extra time taken completing returns or any potential opportunity to make mistakes completing returns is off-putting. I'm concerned if I attempted to file online and experienced difficulties that delayed submissions or led me to make mistakes, HMRC would not be sufficiently

supportive or understanding. There's nothing worse than thinking you're saving something and if you make a genuine mistake somebody's going to give you a great big penalty at the end of it.

Expectations of the HMRC website:

I need to be able to find out:

- what taxes I need to pay
- about PAYE, Corporation Tax, VAT
- how I can file my taxes – preferably online - I need a checklist of what to do
- how I can pay my taxes online
- when my tax deadlines are so I don't miss them
- if regulations or legislation changes how these changes impact me and what I need to do.

For myself I specifically need from the HMRC to be able to do Self assessment. I want to continue to easily file and pay my personal Self Assessment returns with HM Revenue & Customs via the Internet.

For my business I specifically need from the HMRC to be able to do the following tax activities online:

Corporation tax: As a private limited company I have to complete a corporation tax return (form CT600) every year and supply a set of accounts with my form CT600. I want to easily file my corporation tax returns with HM Revenue & Customs via the Internet.

Tax-free payments: As I am an employer with fewer than 50 employees I can get tax-free payments from HM Revenue & Customs (HMRC) - to do this I have to file my Employer's Annual Return (P14s and P35) online by 19 May 2009 for the preceding tax year.

VAT: As a VAT-registered business I have to complete a VAT return form for each tax period, usually every three months. This details how much VAT I:

- have charged my customers
- have been charged by my suppliers
- owe HM Revenue & Customs or are owed by them

I will be sent my VAT return form towards the end of my tax period. I must return the form and payment (if appropriate), normally no later than one month after the end of my tax period. I want to be able to do this online.

PAYE (Pay As You Earn) and National Insurance (NI): My business pays more than £1,500 per month to HM Revenue & Customs (HMRC), so I must make monthly payments of PAYE (Pay as You Earn) and National Insurance.

Annual tax returns: After the end of each tax year, I will have to complete the following forms:

- P35 employer's end-of-year return
- P60 end-of-year summary (for each employee)
- P14 employer's end-of-year summary (for each employee)
- P11 employer's return of expenses and benefits (for each employee)
- P11D or P9D return of expenses and benefits (for each employee)
- P11D(b) employer declaration of return of expenses and benefits

I also want to be able to do Companies House filing when I do my tax returns: As a private limited company I have to complete an annual return every year and supply a signed set of accounts to Companies House every year – it would be handy to be able to do this at the same time as all these other tasks so I can get it all done in one go.

I also want or expect from the HMRC:

- to be able to contact the Business Payment Support Service (BPSS) if I think I will have difficulties in paying my tax bill so I can speak to HMRC staff to discuss temporary payment arrangements tailored to my business circumstances.
- to know the details of the HMRC Business Payment Support Service Helpline on Tel 0845 302 1435.
- Reassurance that online services are secure, convenient and quick.
- immediate confirmation of receipt of all filing and payments.
- Show me how to do all this stuff online.
- access by User ID and Password or Digital Certificate
- use the service from any computer
- use the service day or night
- automatic calculations to reduce errors
- notify the HMRC of changes to my business
- to nominate an agent to submit VAT Returns on my behalf
- be reminded when my tax returns are due, especially my VAT Return.
- enrol and submit my return immediately – don't make me wait for an Activation PIN.
- the details required to register to be available on a copy of my last VAT Return and my VAT 4 Certificate of Registration.

Mary Mumm



Working part-time single mother

“No time to help myself – help!”

Gender: Female

Age: 35 years old, born 16th May 1973

Education: 7 GCSEs and 2 A-Levels, left school then.

Stage in life: Single and does not have a partner, has 2 children under the age of 20, Sandy and Mandy, a boy and girl. Sandy is 9 years old, born May 1999, and Mandy is 4 years old, born May 2004. When she is working she has an approved child-carer to look after Sandy and Mandy and pick them up from school. The child-carer costs Mary £100 per week. Sandy is disabled. Mary is working so is not on any benefits or income support and didn't think she was eligible for these because she was working.

Occupation: Mary works 17 hours a week as a part-time shop assistant manager, and earns £25,000 p/a.

Political profile: Tory

Newspaper: No time, BBC radio 1 news if I'm lucky.

Location: Wakefield

Demographic: By the time I am 65 in 30 years' time I will be just one individual in a quarter of the UK population who will be 65 or over.

Personal computing and web experience: I used computers at work but don't have Internet at home, I go to the Library and use the Internet there instead. One of the things I wanted to get sorted out at home by going to work full time was Internet and a home computer.

Likes and dislikes about websites: A necessary evil, I don't really have much time for any of it, so I'm only online if I have to because I have to go to the library to be online.

Financial Profile: Earns £25k p/a from 17 hours a week. Mary pays income tax and NI at source through her employer. Mary's view of financial planning is that it's pointless as everything she buys is essential. She doesn't have any savings and spends the money each month as it comes in. I currently rent and would like to be able to buy somewhere, I would like to be able to take a full-time job, but I can't currently afford the childcare. It all goes hand-in-hand. My friend at the shop has told me that I should be eligible for all kinds of benefits and credits I'd not had time to find out about or do anything about. I earn, I pay tax, so I'm eligible to tax credits, don't see the problem with them, anything would be better than nothing. I thought tax credits were only eligible to people who were married. I have not read about tax credits and in between my job and kids don't have the time. It's all way too complicated and I've no clue in how it all gets calculated. My awareness has been raised though about tax credits, so now I know about them, I want to find out more. I have an ongoing financial crisis which I barely cope with. I'm on a limited income due to part-time work so that I can afford childcare for my disabled son. I have to do this on my own, my partner left me just after Mandy was born. I feel trapped. I want to do the best by my kids, but I'm also really worried if the government get it wrong and overpay me, I spend that, and then I'm stuck having to pay money back which I can't afford to. As long as I've got enough to cover the bills, I really don't think much further than that.

Tax Profile: Mary is entitled to Child Benefit as she has 2 children under 16, but she is unaware of that fact. Child Benefit is a tax-free payment that you can claim for your child. It is usually paid every four weeks but in some cases can be paid weekly, and there are separate rates for each child. The payment can be claimed by anyone who qualifies, whatever their income or savings. There are two separate amounts, with a higher amount for your eldest (or only) child. You get £20.00 a week for your eldest child and £13.20 a week for each of your other children. Mary is therefore entitled to £33.20 a week Child Benefit.

Mary is also eligible for Tax Credits. Mary should also be entitled to the tax credits, but is unaware of this fact. She is eligible for:

- Child Tax Credit £278.60
- Childcare element of Working Tax Credit £18.70
- Sub total £297.30
- Working Tax Credit (less the childcare element of Working Tax Credit) £0.00

Note: The childcare element of Working Tax Credit will always be paid direct to the person who is mainly responsible for caring for the child or children, alongside payments of Child Tax Credit.

Total Tax Credits £297.30 - This is the amount Mary may be entitled to from 23/03/2009 until 05/04/2009, not the full year.

Relationship with HMRC: I have been told by my friend who has got her tax credits and benefits sorted with the HMRC that she's very satisfied with the service they had received, but I don't know yet, I've not had much to do with them. What will be important to me will be:

- the way queries are dealt with when I first contact them
- The usefulness/helpfulness/ability to solve my problem
- Effectiveness of communication with me to help me achieve my main tasks
- The quality of information on the website to help me
- How easy it is to apply for Tax Credits and make a Child Benefit application
- Telephone support in case I get stuck

Expectations from the HMRC website:

To find what I want to find out about, apply for and get paid quickly and easily – I'll be using the Library computer to do this. I need to find out, apply for and get paid:

1) Child benefit

- what Child Benefit is
- who qualifies for it/ is eligible/ if I do/ am
- how to claim Child Benefit online
- How to get paid child benefit - Child Benefit can be paid into any bank, building society, or National Savings & Investments (NS&I) account that accepts Direct Payment. It's usually paid every four weeks, but it can be paid weekly if you're a single parent like Mary.
- when my next payment date is
- How I report a change in circumstances
- What is the Child Benefit Helpline number and when is it open? (8.00 am and 8.00 pm, seven days a week, except Christmas Day, Boxing Day and New Year's Day. If you're calling from the UK, you can contact the helpline on Tel 0845 302 1444 or textphone Tel 0845 302 1474. If your preferred language is Welsh you can call us on Tel 0845 302 1489 and if you're calling from outside the UK it's Tel + 44 161 210 3086.)

2) Tax Credits

Find out and act on:

- who qualifies/ if I qualify for Tax credits
- what Tax credits I'm entitled to and why
- what Tax credits I'm not entitled to and why
- the value of the Tax credits I'm entitled to
- how to make a Tax credits claim
- how to get paid Tax credits
- how I keep my tax credits up to date
- how to notify the HMRC about changes that affect your tax credits

Also

- What to do if things go wrong
- What to do about overpayments
- How to make complaints, appeals, penalties, enquiries
- Information for people who help or advise others
- How to get authority to act for someone else
- Entitlement tables for tax credits
- Tax credits manuals, rates and thresholds
- Contacts for tax credits advisers
- Forms and leaflets

Child Tax Credit (CTC) is for families who are responsible for at least one child or qualifying young person. You should claim if you have a child or qualifying young person who usually lives with you. You do not have to be working to claim CTC.

Child Tax Credit is made up of the following:

- Family element, the basic element for families responsible for one or more children. A higher rate of family element, often known as the baby element, is paid to families with one or more children under one year old. There is only one family element for each family, regardless of how many children usually live with you.
- Child element, one for each child you are responsible for
- Disability element, one for each child you are responsible for - if you are receiving Disability Living Allowance for the child, or the child is registered blind or has been taken off the blind register in the 28 weeks before you complete the form.