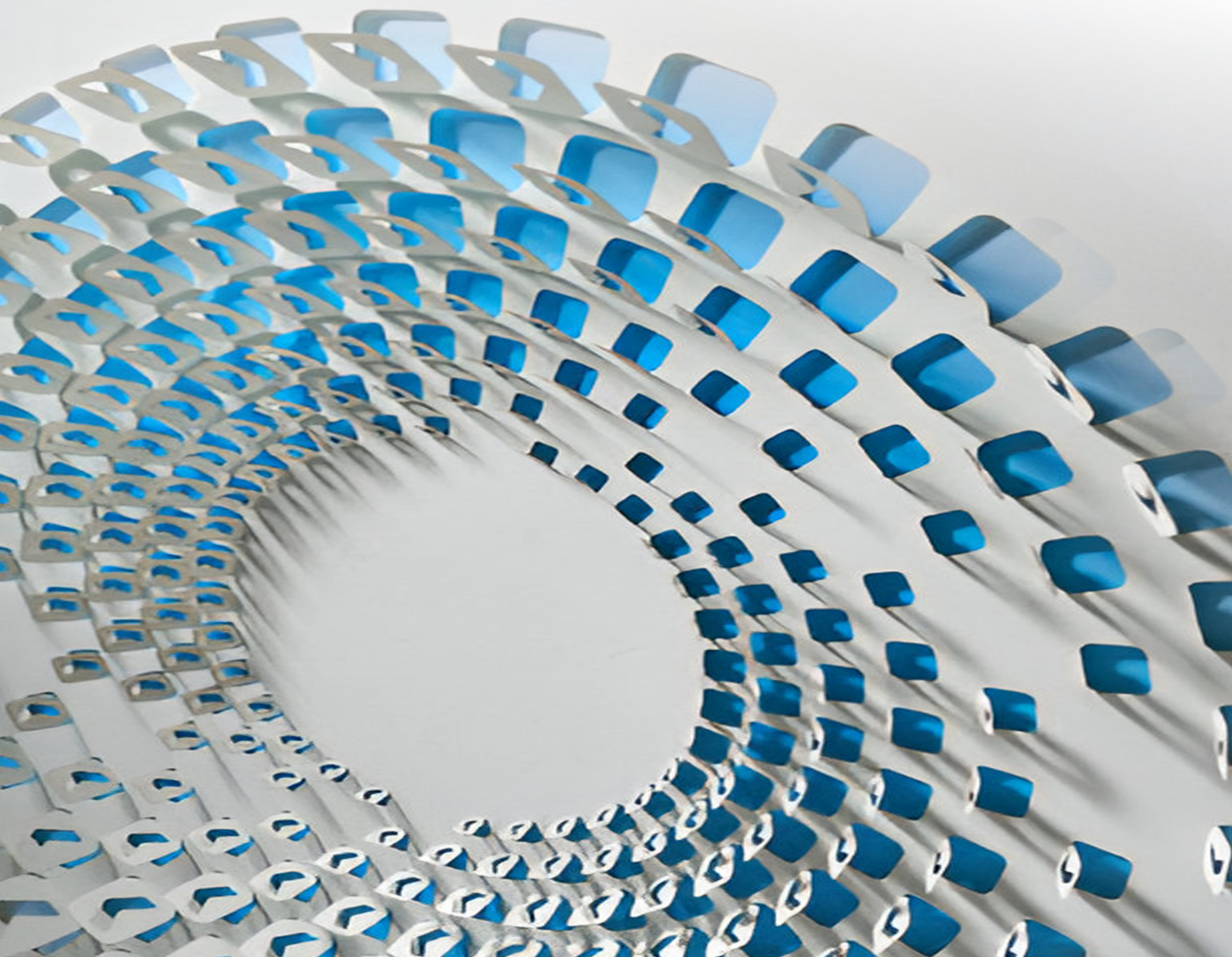


New HMRC service  
announced for  
**workers to take  
control of  
their tax affairs**

# London,

21 July 2025 – HM Revenue and Customs (HMRC) today announced a comprehensive Transformation Roadmap, including a new online Pay As You Earn (PAYE) service designed to give around 35 million UK workers greater control over their tax affairs and simplify the tax system. The roadmap outlines over 50 measures to modernise the UK's tax and customs administration by 2030.



# Key Points

## 1 New PAYE Service:

A digital service enabling PAYE taxpayers to check and update their income, allowances, reliefs, and expenses easily via their Personal Tax Account or the HMRC app.

## 2 Digital First Target:

HMRC aims for at least 90% of all customer interactions to be digital by 2030.

## 3 Cost Savings & Efficiency:

Moving customer letters/reminders digital-first will save £50 million annually by the 2028 to 2029 tax year (equivalent to almost 1,500 full-time nurses). Paper post remains for critical correspondence and is digitally excluded.





## 4 AI Integration:

HMRC will deploy Artificial Intelligence in key areas:

### 1 HMRC advisers and caseworkers:

Using AI capability to automate call summaries and the use of internal GenAI Chat Assistants to support them in their work.

### 2 Digital assistants:

Developing new AI-powered features to help customers easily navigate HMRC services and improve the ability to update HMRC's content and guidance on **GOV.UK**.

### 3 Compliance:

Delivering an automatic document identifier system for HMRC caseworkers to identify fraudulent documents during compliance activities by using a biometric likeness-liveness check.

## 5 Third-Party AI Principles:

HMRC will establish principles for third-party software developers using AI in products interacting with HMRC systems.

## 6 James Murray MP, Exchequer Secretary to the Treasury:

We are going further and faster to make HMRC fit for the 21st century, including delivering a simpler and easier system for all PAYE workers.

By 2030, taxpayers can expect a modern and innovative HMRC with cutting-edge AI, industry-leading customer service practices, and a laser focus on delivering taxpayer value for money by ensuring everyone pays their fair share.



## 7 JP Marks, HMRC Chief Executive and First Permanent Secretary:



The Government's ambition is for a simpler tax and customs system and this roadmap sets out how HMRC will deliver a first-class experience that feels different to their customers.

By 2030, UK citizens will experience a tax administration system that is more automated, more focused on self-service, and better set up to get things right first time so they can fulfil their tax obligations.

## 8 Increased Compliance Funding:

As per Spending Review 2025, HMRC receives £1.7 billion over 4 years to fund an additional 5,500 compliance and 2,400 debt management staff. This includes 400 experts focusing on wealthy offshore tax non-compliance.

## 9 Immediate Deliverables (This Tax Year):

- 1 Extend SMS confirmation service to Self Assessment appeals, complaints, and some PAYE services.
- 2 Improve Self Assessment registration and streamline exit for those no longer needing to file.
- 3 Expand the voice biometrics pilot for easier helpline verification.
- 4 Launch a service allowing employed parents newly liable for the High Income Child Benefit Charge to pay via tax code (avoiding Self Assessment).
- 5 Launch an enhanced informant reward scheme targeting serious non-compliance in large corporates, wealthy individuals, offshore, and avoidance.

## 10 Future Roadmap Measures:

- Digitalise the Inheritance Tax service.
- Launch a service for agents to digitally submit client tax code information.
- Deliver a Digital Disclosure Service for correcting errors/paying liabilities across all taxes.
- Introducing an electronic trade documentation pilot.
- Progress the Verifiable Credentials pilot with US Customs and Border Protection.



## **11 Modernising Penalties:**

HMRC will update on plans to simplify and strengthen penalties later this year, ensuring compliant taxpayers aren't disadvantaged.

## **12 Umbrella Company Legislation:**

New rules effective April 2026 will make recruitment agencies using umbrella companies legally responsible for PAYE on workers' pay to combat tax avoidance and fraud.

**Call us for more info**