



*Research report*

# Online PAYE Services

Evaluation of tax account concept amongst key target groups

**HMRC Digital Solutions Programme**

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Behavioural Evidence & Insight Team

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**Online Services for PAYE*****About HMRC Digital Solutions Programme***

The Digital Solutions Programme is part of the Personal Tax Change Portfolio. It is key to the successful delivery of HMRC's Digital Strategy as it will deliver secure online digital solutions that cut costs, reduce fraud and error, and improve the customer experience.

The Digital Solutions Programme will deliver a series of new or improved services. These will transform the way we interact with our customers online and open up digital services to new customer groups. The range and quality of online services available to HMRC's customers will reduce the need for them to contact us using other channels. By making things easier for our customers, the digital solutions introduced will reduce telephone contact, post, manual interventions and processing.

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Online Services for PAYE

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## Online Services for PAYE

### *Research requirement (background to the project)*

HMRC is considering launching an online service for PAYE customers which will allow them to make changes to some of their personal details, check their tax code and contact HMRC electronically.

Research was conducted in order to establish:

- Whether PAYE customers want to transact with HMRC digitally
- What incentives and barriers exist to use of the online PAYE service
- How information on online PAYE services should be communicated
- What can be learnt about customers' attitudes and behaviours to inform wider migration objectives
- Which customer groups within the PAYE population need/want these services the most

### *When the research took place*

Fieldwork took place from the 28<sup>th</sup> March – 9<sup>th</sup> April 2013

### *Who did the work (research agency)*

Research was conducted by TNS BMRB.

### *Method, Data and Tools used, Sample*

Research was conducted with members of the general public who are in work and currently pay income tax through PAYE.

The survey took place from 29<sup>th</sup> March to 8<sup>th</sup> April on TNS BMRB's face-to-face omnibus, screening a representative sample of adults across GB aged 16+. As part of the survey, respondents were given a description of the new online PAYE service and asked some questions about their reactions to it.

- 1084 respondents who were currently paying tax by PAYE were interviewed (193 of these paid tax through Self Assessment in addition to through PAYE)
- The majority (92%) had access to the internet at home, and only 5% did not have access to the internet at all.
- Data was weighted to be representative of the general population

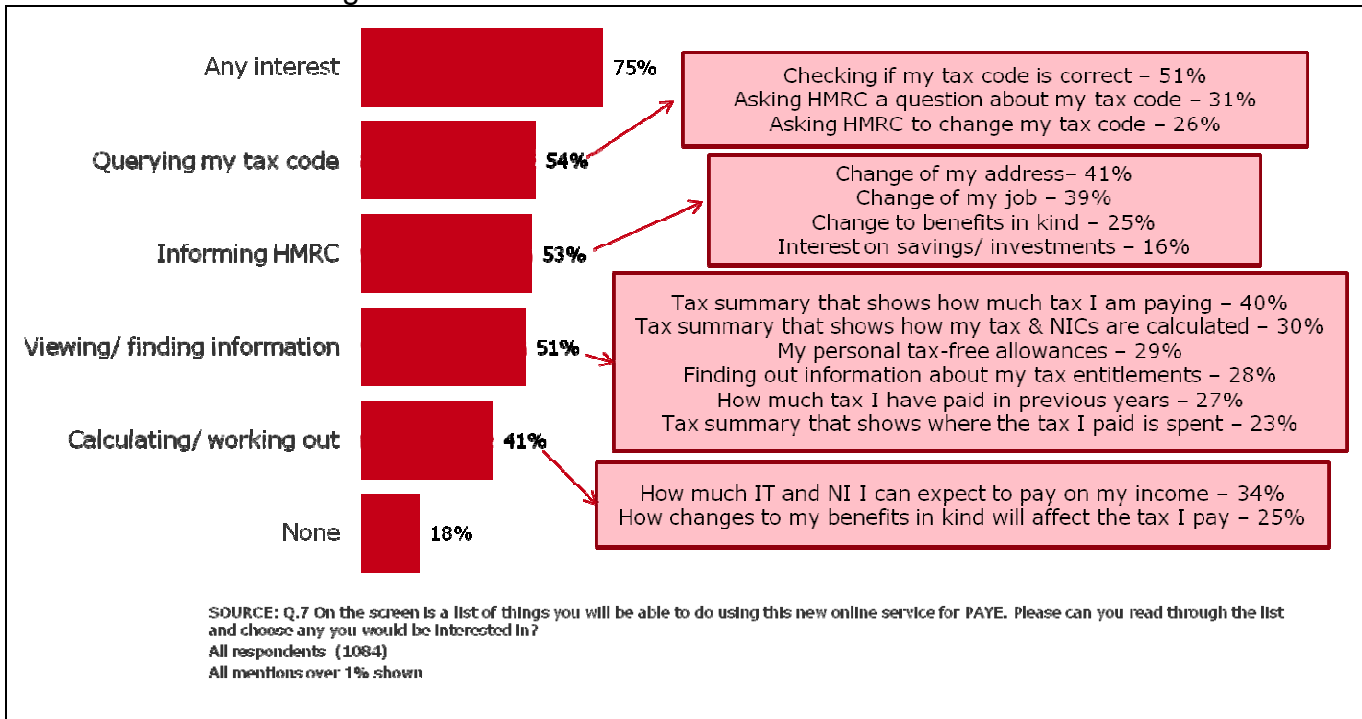
Online Services for PAYE

*Main Findings*

**Reactions to the proposed online services for PAYE customers**

The proposed new online service generated a good level of interest. Three in four were interested in services the new online PAYE system would offer, especially checking or amending information: in particular, checking tax codes (51%), or notifying HMRC of a change in address (41%) or of a change of job (39%). 40% would be interested in accessing a tax summary showing how much tax they pay (Chart 1).

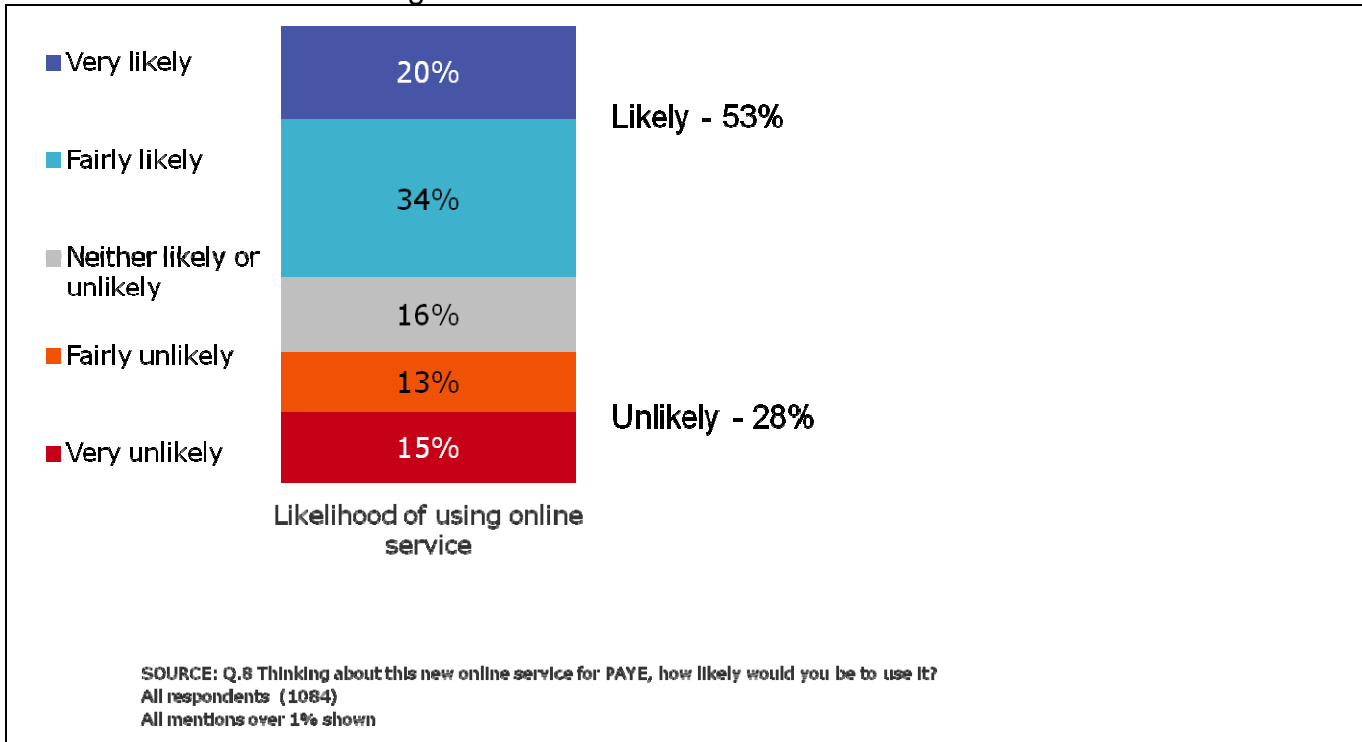
Chart 1 Interest in using online services for PAYE



53% of those surveyed said they would be likely to use the new online PAYE service (Chart 2), particularly those with previous HMRC contact, those aged 25-44 and in social grade AB, but interest was lower for those aged 55-64.

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Chart 2 – Likelihood of using new online PAYE service



Over a third (37%) of those who would use this system considered it a quick and easy way of interacting with HMRC. This was the key reason for using the system given by those paying through PAYE only (39%). For customers who also pay tax via Self Assessment, there was a feeling that the online PAYE services would help them to stay in control of their tax affairs (36%), deal with PAYE at a convenient time (34%) or look in more detail at their taxes (28%).

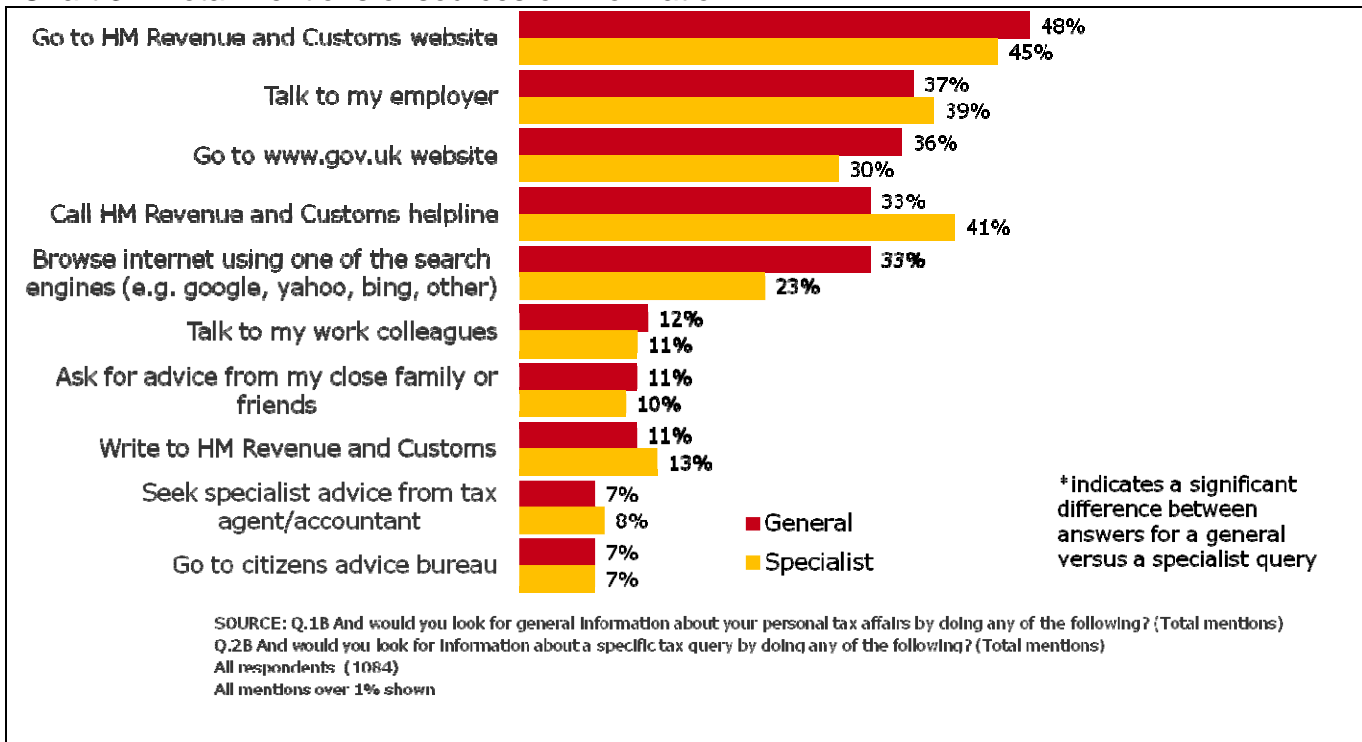
The 28% who would be unlikely to use the service tend to rely on their employer to deal with their tax affairs (31%), or are happy with the way their tax is currently managed (22%). 20% have concerns about dealing with HMRC online, with a further 11% preferring other channels.

**General enquiries**

The website (either HMRC, gov.uk or a web search) was the first port of call for both general (61%) and specific (54%) queries. For specific queries, 41% would use the HMRC helpline and 39% would go to their employer (Chart 2).

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Chart 3 – Total mentions of sources of information



Of the 48% who had contacted HMRC in the past, the majority (79%) had called a helpline and 18% had visited the website. Over half (53%) expected that they would call a helpline if they wanted to contact HMRC (again) in the future, but three in ten said they would be likely to use an online option.

Telephone was also the most preferred method for HMRC to get in touch with any queries, with 39% selecting this as their preferred method of contact. 34% would prefer a letter and 24% would prefer email contact. Only those in social grade AB were more likely to prefer email (35%) to the telephone (30%).