



HM Revenue
& Customs

Research report

Bereavement Letter Testing

Testing of 3 letters to PAYE and Self Assessment
Bereaved Customers

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Bereavement Letter Testing***About Personal Tax Customer Design***

This work was commissioned by the Personal Tax Customer Design Team. The team works with colleagues in Personal Tax and across HMRC to use customer insight to help PT design, deliver and operate services for individual customers which

- improve customer experience
- maximise tax yield
- ensure that those who need help get the support they need, when they need it

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Bereavement Letter Testing

Research requirement (background to the project)

When a taxpayer dies, HMRC needs to check whether they paid the right amount of income tax up to the date of death.

To do this, HMRC currently issues a form known as the '**R27: Reclaiming tax or paying tax when someone dies**' to the personal representative (i.e. the person responsible for dealing with the estate). The personal representative needs to complete this form with information about the income of the deceased up to the date of their death. This process causes a lot of work for both the customer and HMRC.

From October 2014, HMRC are changing their process to make better use of the information it holds to finalise a taxpayer's affairs without necessarily requesting further details from the personal representative. As part of this change, the R27 will be replaced with three new letters [N.B. not all letters go to all customers in these circumstances].

- Letter One will only be sent where HMRC don't know the details of the personal representative to the last known address to ask for the personal representative's details.
- Letter Two will be sent to the personal representative of a former PAYE taxpayer with relatively simple affairs confirming that HMRC is aware of the death and that they do not need to take any further action.
- Letter Three will be sent to the personal representative of a taxpayer with more complex SA tax affairs asking them to complete a self assessment return on behalf of the deceased (this is because HMRC does not have the necessary information to finalise the deceased's affairs).

Prior to rolling out these letters were tested with customers with a particular focus on:

- The **layout**
- **Clarity of the message**
- Whether the **information** provided is **sufficient**
- The extent to which customers understood
 - **what action** is needed
 - **when action** needs to be taken
 - **what business areas to contact** if further help is needed
- The suitability of the **tone**

HMRC are now taking on board the findings from this research to refine the letters before they are used for the first time.

Bereavement Letter Testing***When the research took place***

The research took place during w/c 18th November 2013

Who did the work (research agency)

Opinion Leader, a market research agency based in London undertook the research

Method, Data and Tools used, Sample

A total of six focus groups, each lasting 1.5 hours with eight participants were conducted. Prior to attending the focus groups participants were asked to think about where they would go for information and support following the bereavement of a close family member and what format they would like this information to be in.

During the focus groups participants responded to a hypothetical scenario where they were asked to imagine that they were acting on behalf of someone who had died. Participants marked up the letters to highlight areas they felt were clear or unclear.

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The sample structure and recruitment criteria for the focus groups are shown in the table below.

Group Number	Customer Type	Location and Date	Other criteria
1	Self-Assessment	London 19 th Nov	<ul style="list-style-type: none"> Mix of male and females ABC1 Range of ages between 50 - 70
2	Self-Assessment	Coventry 20 th Nov	<ul style="list-style-type: none"> Mix of male and females C2DE Range of ages between 50 - 70
3	Self-Assessment	Newcastle 18 th Nov	<ul style="list-style-type: none"> Mix of male and females C2DE Range of ages between 50 - 70
4	PAYE	London 19 th Nov	<ul style="list-style-type: none"> Mix of male and females C2DE Range of ages between 50 - 70
5	PAYE	Coventry 20 th Nov	<ul style="list-style-type: none"> Mix of male and females ABC1 Range of ages between 50 - 70
6	PAYE	Leeds 18 th Nov	<ul style="list-style-type: none"> Mix of male and females ABC1 Range of ages between 50 - 70

Additional recruitment criteria that was applied to each group:

- BME in line with local population
- All had either a parent or spouse who is alive

Bereavement Letter Testing***Main Findings*****Ten General Points and Cross Cutting Themes**

1. Following bereavement, participants thought they would be distressed and in a difficult state of mind and therefore wanted breathing space of one month following the death of a family member or friend before any letters are sent to them from HMRC. One month was felt as a sufficient time for them to be able to be in the right frame of mind to deal with the tax affairs of a deceased family member or friend since this would be after the funeral.
2. Some participants displayed reluctance to take on the responsibility of someone else's tax affairs. This largely stemmed from fear of not knowing what to do or how to do it. This was particularly the case when the deceased was a SA tax payer.
3. The tone of the letters needs to be sympathetic but not too over the top and typically the letters tested achieved this.
4. The information in the letters needs to be brief and to the point.
5. Participants would like the letters to be personalised to their and the deceased's circumstances.
6. The letters should not include jargon or threatening language.
7. The letters should be positioned as HMRC helping the recipient deal with the tax affairs of the deceased rather than putting the workload and responsibility on the recipient of the letter.
8. There should be consistency in the use of formatting both within each letter and across all three letters.
9. There was strong appetite for telephone reassurance for friends and/or family members who are sorting out the tax affairs of the deceased since this is a complex and distressing time.
10. Some customers were not clear that they were not responsible for paying the deceased's tax; and did not understand that they are only responsible for helping ensure HMRC has all the information they need to check whether the deceased had paid the correct amount of tax upon their death.

Understanding the time following a bereavement

- Funeral Directors are one of the first points of call for friends and family following bereavement as sorting out the funeral is prioritised.
- Dependent on the circumstances of the death, practical and / or emotional support is needed.
- Sources of information and support commonly cited were:
 - Funeral Directors
 - Charities
 - Hospital
 - General Practitioners
 - Google / the internet

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- Citizens Advice Bureau
- Propensity and ability to deal with paperwork and tasks is higher after the funeral than before it.
- Some customers had no idea what they would need to do to sort out the affairs of a deceased family member or friend.
- There was low awareness of the 'Tell us Once' service.
- There was strong support for the 'Tell us Once' service once it was explained.
- Participants said they were highly likely to use the service if they are ever in a situation of sorting out a friend or families affairs upon their death and would be happy to spend extra time at the time of registering the death to sign up for the 'Tell us Once' service and were prepared to spend the time filling out any necessary forms.

Letter One

- ✓ Participants liked that the letter was brief and to the point.
- ✓ The tone of the opening paragraph – *'I am sorry to hear of your recent bereavement...'* - was appropriate as it shows the right level of compassion and was pitched at the right level.
- ✓ It was clear what the recipient of the letter had to do and what the message of the letter was.
- ✓ Participants appreciated the signposting to further information.
- ✓ Participants appreciated the phone numbers as some liked to be able to ring and get personal interaction from a HMRC employee.
- ✓ Participants like the layout of the boxes on the back of the letter. They made it clear and easy to fill in the contact information of the personal representative.
- × Complex language which was difficult to understand, for example *'liability'*, *'the estate'*
- × The use of the wording *'under payment of tax'* caused panic for some participants as some perceived this to mean they would be liable for any unpaid tax.
- × Some participants thought the use of the word *'deceased'* was blunt and insensitive.
- × Some people did not know what *'Executor'*, *Administrator* or *Personal Representative* were, or the difference between these.
- × Some participants did not realise that 0300 numbers are charged at a local rate.
- × The letter does not make it clear why the recipient needs to get involved with sorting the tax affairs of the deceased and why they should give their time to fill in the form.
- × Some were reluctant to providing the information required as they did not see the benefit to them or the estate.
- × The letter gives no time frame for when the recipient needs to respond to the letter by.

Letter Two - PAYE

- ✓ The inclusion of the web links for more information was liked.
- ✓ The letter clearly explains what will happen next and this was appreciated by participants as they like to know what to expect and when.
- × Participants did not like not receiving any further correspondence from HMRC if all the information HMRC currently have is correct and sufficient to finalise the deceased's tax

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affairs. Participants wanted to receive a letter after the eight weeks to say they have received the right amount of tax if this was the case.

- × There is no telephone helpline in the body of the main text.

Letter Three - Self Assessment

- ✓ Participants understood that they need to complete a Self-Assessment form for the deceased person.
- ✓ Participants liked that there is a date on the letter indicating when the Self-Assessment form needs completing by.
- ✓ Three months was perceived as sufficient time to act upon the letter and return a Self-Assessment form.
- × Participants had concern around the ability of someone to fill in a Self-Assessment tax return of a family member or friend.
- × Participants did not perceive the letter as offering any help to the personal representative who has to complete the Self-Assessment form.
- × Too much generic information which is not specifically tailored to the circumstances of the deceased.
- × Dates are on the back of the letter which is out of sight and could be easily missed.
- × The onus to complete the self-assessment form is on the recipient of the letter which can be scary for them, especially if they are not a Self-Assessment tax payer themselves.
- × Threatening language used in the letter, such as '*penalties*' and '*interest*' was perceived to be inappropriate as it is not the recipients tax, they feel that they are helping out HMRC and the deceased and there is felt to be no appreciation of this.

Letter Two and Three – Common Findings

- ✓ Participants appreciated additional information about specific circumstances.
- ✓ Participants appreciated the inclusion of sources of independent tax advice.
- ✓ Both letters clearly presented the messages they were trying to portray.
- × There are no contact details for the independent tax advice organisations.
- × Some people felt that the inclusion of the additional information about; 'Spouse or civil partner', 'Inheritance Tax', 'Period of administration', 'Trusts' and 'Sources of free independent tax advice' was too much additional information to have included in the letter. For some participants this information was unnerving and created unnecessary worry that the recipient of the letter may need to do something. Some participants thought this may cause them to seek professional help when it is not needed.