

# Annual Tax Summaries Evaluation

HM Revenue and Customs Research report 371



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Published by HM Revenue and Customs, November 2015

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# 1. Summary

The Annual Tax Summary for both Pay As You Earn (PAYE) and Self Assessment (SA) customers was first announced at Budget 2012 and were introduced in 2014. Annual Tax Summaries for the tax year 2013/14 were issued to around 22 million UK taxpayers for the first time. The first wave of tax summaries were sent to PAYE customers between 3 November and 14 December 2014 and a second wave sent out in early 2015. SA customers were able to view their tax summary by logging into their Self Assessment tax account shortly after submitting their tax return. Quantitative research was undertaken with PAYE customers and SA customers through two separate surveys, to examine customers' views and understanding of the tax summaries.

## Key Findings

### Pay As You Earn (PAYE) customers:

One in three (33%) PAYE customers recalled receiving the tax summary<sup>1</sup>. Recall tended to be higher amongst older customers (41% of those aged 55 and above), men (35%), and those in social grade AB (41%).

Most customers who recalled receiving the tax summary at least glanced at it. Two in three (64%) PAYE customers read either all (40%), or some of the tax summary (24%). One in three (33%) said that they had a quick glance. Customers who reported that they already knew or could guess the amount of Income Tax and National Insurance they pay (51%) were more likely to have read all of their tax summary. Men were also more likely than women to have read all of it (46% compared with 33%). Readership was also higher for those in higher social grades and older customers (who were typically more likely to report knowing the amount of Income Tax and National Insurance they pay).

Around eight in ten PAYE customers (78%) remembered at least some of the information the tax summary contained. Six in ten (61%) remembered that the tax summary contained information on how much tax they paid while approximately half (48%) remembered that the tax summary contained information on how the government spent their taxes. Nine out of ten (91%) customers were clear that the figures in the tax summary were about the amount of tax they personally paid.

Three quarters of customers (73%) also reported that the information provided on the tax summary about how much tax they paid was useful. A slightly lower proportion (61%) agreed the information provided on how the tax they paid contributed to different areas of government spend was useful. Six in

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<sup>1</sup> This research did not seek to understand the reasons why customers did not recall receiving the tax summary – this could be that they had not received it or opened it, or they may not remember it

ten (63%) PAYE customers could not think of any improvements that could be made to the summaries; small proportions felt they could be more detailed and easier to read and understand.

Contact with HMRC by PAYE customers as a result of receiving the tax summary was minimal.

### **Self Assessment (SA) customers:**

Around a third (35%) of SA customers reported that they recalled receiving the tax summary; younger customers were more likely to recall receiving it (57% of those aged 16-34), as were those who had submitted their tax return themselves (43%). Furthermore, linked to this, those who reported a greater knowledge of their tax affairs were more likely to recall receiving the tax summary (41%).

Around half (48%) of SA customers read all or some of the summary. Of these SA customers, 27% read all, and 21% read some of the tax summary. Just under half (44%) said that they had a quick glance at the tax summary. Those who said they knew or had a good guess of the amount of Income Tax and National Insurance they pay a year were more likely to have read all of their tax summary (31%), as were men (30%).

Nine in ten SA customers (92%) reported that they could remember information contained within the tax summary. Most said that it contained information on how much tax they paid (39%), how the government had spent their taxes (39%), or information on their annual earnings/income (22%).

Nine out of ten (94%) SA customers also said that it was clear that the figures in the tax summary were about the amount of tax they personally paid.

The majority (84%) also reported that the information provided in the tax summary on how much tax they paid was useful and a slightly lower proportion (68%) felt the information on how the tax they paid contributed to different areas of government spend was useful.

Around four in ten (44%) could not think of any improvements that could be made to the summaries, although small proportions felt they could be more detailed and easier to read and understand.

A minority of SA customers reported that they made contact with HMRC as a result of receiving the tax summary with 11% telephoning (11%) and 13% writing to HMRC. Of those who did make contact, this was mostly as they believed their figures were incorrect (39%), or to check things were correct (30%).

## 2. Introduction

### 2.1 Introduction

Annual Tax Summaries for the tax year 2013/14 were issued to around 22 million UK tax payers who paid Income Tax through Pay As You Earn (PAYE) or Self Assessment (SA). The Annual Tax Summary was announced at Budget 2012 and introduced for the first time in 2014 as part of the Government's commitment to creating a more transparent personal tax system. The tax summary provided information on the amount of Income Tax and National Insurance paid by the customer and how it was calculated. It also provided further information about how money from taxes are used to fund different areas of public spending. The first wave of tax summaries were sent to PAYE customers<sup>2</sup> by post between 3 November and 14 December 2014 and a second wave sent out in early 2015. SA customers were able to view their tax summary online by logging into their Self Assessment tax account shortly after submitting their tax return<sup>3</sup>.

#### 2.1.1 Research aims

HMRC wished to examine customers' views and understanding of the tax summary. One survey was conducted with PAYE customers, and a second with SA customers. The short surveys focused on the views and opinions of those who recalled receiving the summary, with some consideration of the rates of recall, and reported knowledge of their tax affairs.

### 2.2 Methodology

#### 2.2.1 Sampling and survey method

Interviews were conducted with 2756 PAYE customers between the 5<sup>th</sup> December 2014 and 19<sup>th</sup> January 2015, by including a short set of questions on four waves of the TNS face to face Omnibus survey<sup>4</sup>. The Omnibus interviews a representative sample of 2,000 UK adults each wave, using a random location sampling approach<sup>5</sup>. Customers were screened to identify PAYE customers who paid Income Tax in the tax year 2013-14 via their employer or pension provider. Tax payers who paid tax via PAYE *and* SA were also excluded from this survey as they received their tax summary online through their SA tax account. Data was weighted to the profile of the UK adult population, meaning that the research can be considered to be representative of this population.

The survey of SA customers was conducted online using the LSR online panel<sup>6</sup>, between the 5<sup>th</sup> and 13<sup>th</sup> February 2015. The survey was conducted amongst SA customers who submitted a SA return between 6 April 2014 and 31 January 2015, achieving 1405 interviews. Data was weighted to match the profile of SA customers, again meaning that the research can be considered to be representative of SA customers.

#### 2.2.2 Questionnaire and analysis

The questionnaires used for the study were written by HMRC. HMRC also provided stimulus materials for use during the survey. The questions were similar across the two surveys, but in a few cases there were

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<sup>2</sup> Example of the tax summary sent to PAYE customers are shown in Appendix 1

<sup>3</sup> Example of the tax summary sent to SA customers are shown in Appendix 2

<sup>4</sup> 569 interviews on the final wave of interviewing were conducted on the Ipsos MORI face to face omnibus.

<sup>5</sup> See Appendix 3 for further details on the sampling approach.

<sup>6</sup> The online panel is managed by Lightspeed Research, a sister company of TNS.

differences in the way the questions were asked due to the methodological approach differing. The PAYE survey was conducted face to face, allowing a small subset of questions to be asked unprompted but coded to a list of pre-codes by the interviewer. Such a process is not possible online, and consequently a list of possible response codes was shown on the SA survey. There are also some differences between the tax summary received by PAYE customers and that received by SA customers – examples of these are shown in Appendix 1 and Appendix 2 respectively.

During each survey, customers were asked whether they recalled receiving the tax summary, firstly unprompted, and then again, after briefly viewing an example of the relevant tax summary. This ensured that follow-up questions were only asked to those who remembered receiving the tax summary. Throughout the report, references to recall are based on responses after prompting.

Data were analysed at the total sample level for PAYE and SA separately, and by demographic sub-groups of interest.

## 3. Pay As You Earn (PAYE) Customers

Findings from PAYE customers are presented below.

### 3.1 Profile of PAYE customers

PAYE customers were asked whether they knew how much Income Tax and National Insurance they pay each year. Overall, a third (37%) reported knowing the exact amount, or that they were able to have a good guess. One in ten (12%) reported knowing the exact amount, a quarter (25%) said they could have a good guess, and the remaining 63% said they would need to check. Men were more likely to report that they knew the exact amount, or could have a good guess than women (41% compared with 32% respectively), as were those in higher social grades (46% in social grades AB compared to 29% in social grades DE). Younger customers were slightly less likely to report knowing, or being able to have a good guess at, how much Income Tax and National Insurance they pay each year (33% of customers aged 16-34, 37% of 35-54, 37% aged 55 or above). Notably, however, customers aged 16-24 were even less likely to report knowing the exact amount or being able to have a good guess at the amount of Income Tax and National Insurance they pay (29%).

The unweighted and weighted profile of PAYE customers is shown in Appendix 4

### 3.2 Recall of Tax Summary

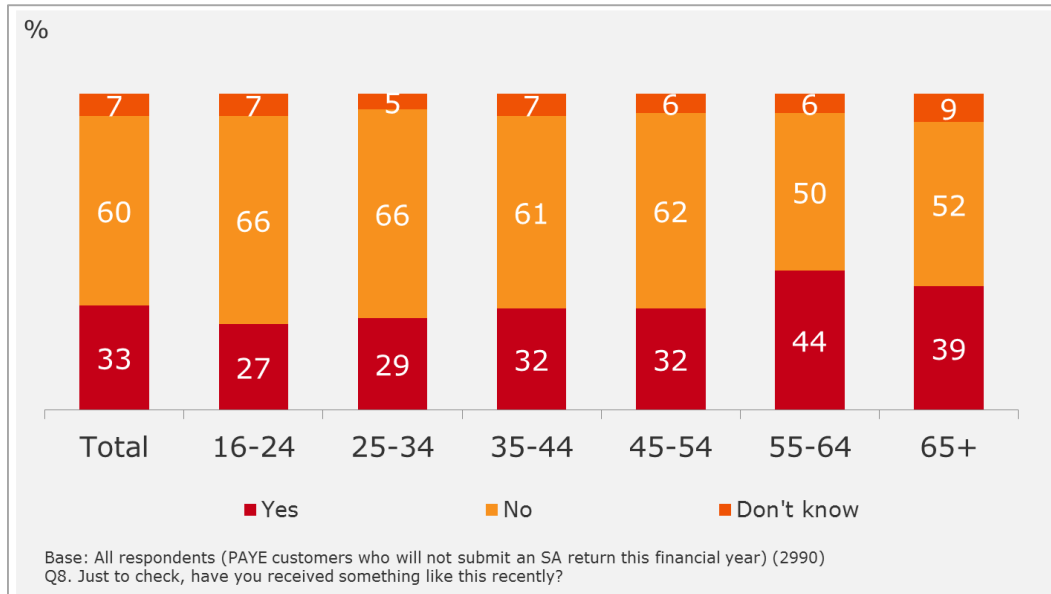
A third (33%) of PAYE customers reported that they recalled receiving a tax summary. This research did not seek to understand the reasons why customers did not recall receiving the tax summary – this could be that they had not received it or opened it, or they may not remember it.

PAYE customers who either reported knowing or could have a good guess at the amount of Income Tax and National Insurance they paid in a year were more likely to recall that they had received a tax summary (42%) than those who reported that they would need to check (28%). There were also differences present in recall between demographic groups; younger customers were less likely to recall receiving the tax summary (27% of customers aged 16-34, 32% aged 35-54, 41% aged 55 or above) (Figure 3.1).

Recall also differed by social grade; customers in social grades AB tended to be more likely to recall receiving a tax summary (41%) than lower social grades DE (22%). Differences by gender were less marked, but men were slightly more likely to recall than women (35% compared to 31%) that they had received a tax summary.



**Figure 3.1 Recall of tax summary by age (PAYE)**

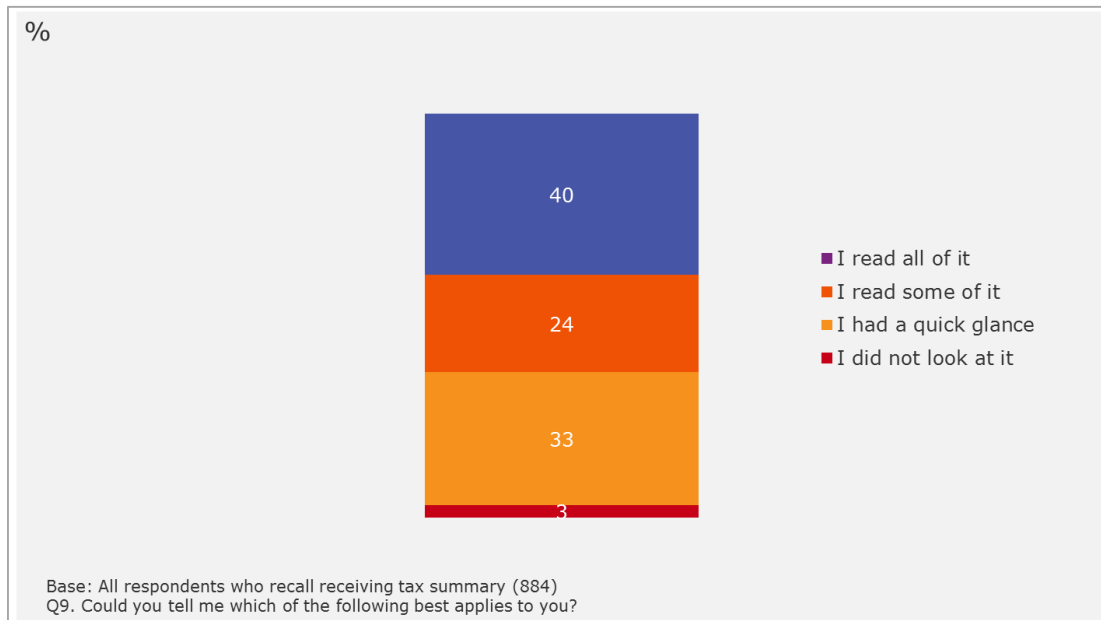


The following data and analysis regarding PAYE customers refers only to those customers who recalled receiving the tax summary.

**3.3 Actions on receiving tax summary**

Two thirds of PAYE customers read all (40%) or some (24%) of the tax summary (Figure 3.2). One third (33%) reported having a quick glance at the tax summary, whilst only three per cent did not look at it at all.

**Figure 3.2 Reading of tax summary (PAYE)**



Customers who reported knowing exactly, or could have a good guess at, how much Income Tax and National Insurance they paid in a year were more likely to read all of the tax summary (51%) than those who said they would need to check (31%). Men were more likely to have read the entire tax summary (46%) than women (33%). Older customers aged 55+ were also more likely to read the entire tax

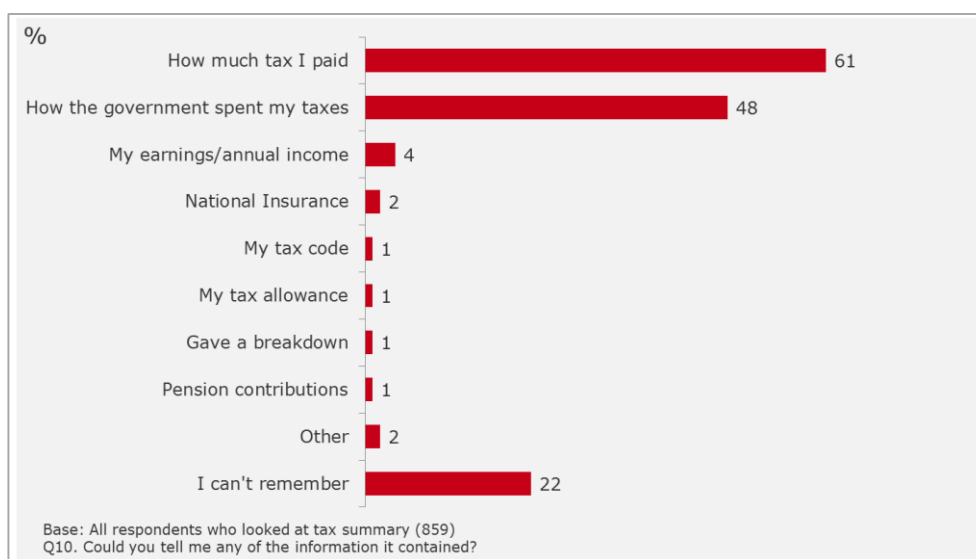
summary (51%) than younger customers (35% of customers aged 16-34, and 33% aged 35-54). People in higher social grades tended to be more likely to read the entire tax summary than other groups (44% in social grades AB, compared to 28% in social grades DE).

PAYE customers who reported looking at the tax summary were then asked what information they could remember being contained in it. As seen below (Figure 3.3), six in ten (61%) said that the tax summary outlined how much tax they paid, while around half (48%) reported that it showed how the government spent their taxes. About one in five (22%) could not remember what information was contained in the tax summary.

Customers who reported knowing, or being able to have a good guess at how much Income Tax and National Insurance they paid in a year were more likely to report that the tax summary contained information on how much tax they paid (68%, compared with 55% of those who reported that they would need to check). Customers who reported that they would need to check how much Income Tax and National Insurance they paid in a year were more likely to be unable to remember any information contained in the tax summary (27% compared to 16%).

Men were more likely to recall that the tax summary told them how the government spent their taxes (52%) than women (42%). This also varied by social grade with 57% of customers in social grades AB reporting this compared with 42% of those in social grades DE.

**Figure 3.3 Information contained in tax summary (PAYE)**



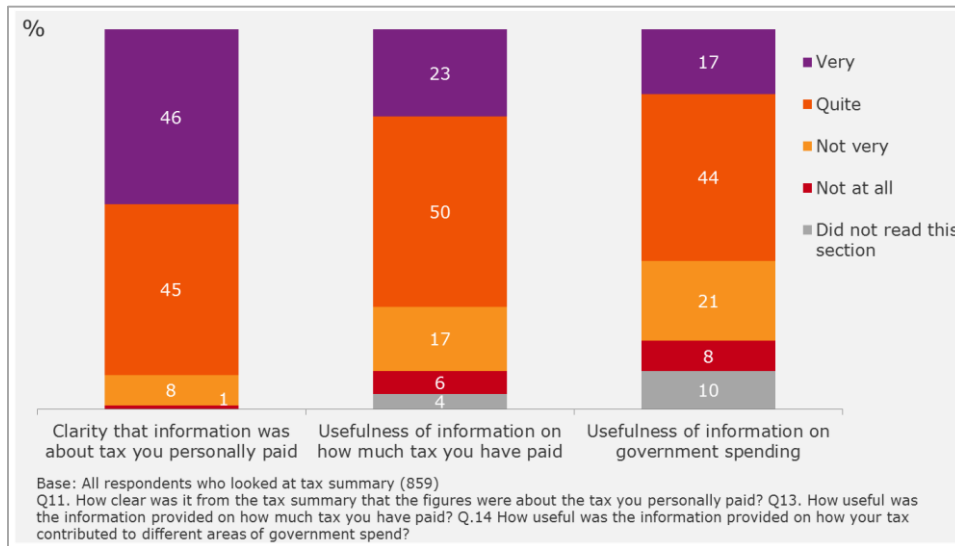
### 3.4 Opinions of Tax Summary

When asked how clear it was from the tax summary that the figures were about the amount of tax they personally paid, the vast majority (91%) of PAYE customers reported that the tax summary was either very or quite clear (Figure 3.4). Those PAYE customers who felt it was very clear were more likely to be those who reported knowing, or being able to have a good guess at how much Income Tax and National Insurance they paid (50%), older customers aged 55+ (55%) and in social grades AB (51%).

PAYE customers were then asked about how useful they found the information provided in the tax summary on how much tax they paid. As shown below in Figure 3.4, around three in four (73%) felt this information was very or quite useful. Customers were also asked about how useful they found the

information in the tax summary on how their taxes contributed to different areas of government spend. Six in ten (61%) thought they were very or quite useful in this regard. Customers who reported knowing or have a good guess at the amount of Income Tax and National Insurance they paid were more likely than those who did not to suggest that the tax summary was very useful for understanding how much tax they paid (27% compared to 19%) and how it contributed to different areas of government spending (22% compared to 14%).

**Figure 3.4 Clarity and Usefulness of tax summary (PAYE)**



Customers were also asked, unprompted, to suggest improvements to the tax summaries. The majority (63%) said no improvements, while 17% did not know of any. The main improvements suggested were to make it simpler or clearer to read (8%) and provide more detailed information (5%).

### 3.5 Contact with HMRC as a result of receiving Tax Summary

Five per cent of PAYE customers reported that they followed the web link provided in their tax summary. Of these, three in four (73%) did so to seek further information.

A small number of PAYE customers telephoned (4%) and/or sent a letter (1%) to HMRC as a result of receiving the tax summary. Of those who telephoned or sent a letter, the primary reasons given for contacting HMRC were to ensure that their tax figures were correct; over four in ten (43%) reported they did so because they thought these were incorrect, whilst a third (30%) did so to check that they were correct.

## 4. Self Assessment Customers

This chapter details the findings from SA customers.

### 4.1 Profile of SA customers

Three quarters (77%) of SA customers reported that they had submitted their SA tax return themselves, with the rest (23%) reporting that someone else had done so on their behalf. Of those who knew how their return had been submitted, the majority (86%) of SA customers submitted their return online, with 14% reporting that their return was submitted by post. However, overall one in ten (8%) were unsure as to how their return had been submitted – this was most common amongst those who had not submitted their return themselves (24% compared with 1% who had submitted their return themselves).

SA customers were asked whether they knew the amount of Income Tax and National Insurance they paid each year. Overall 60% reported that they knew the exact amount or could have a good guess; a third (33%) reported knowing the exact amount, whilst 27% reported that they could have a good guess. Two fifths (40%) answered that they would need to check. Needing to check was more likely for women (46% compared with 37% of men), and older customers (44% of those aged 55 and above, compared with 39% aged 35-54 and 28% aged 16-34). Those who had submitted their return themselves were more likely to report that they knew either the exact amount or could have a good guess (65% compared with 48% of those who said that someone else had submitted their return).

The unweighted and weighted profile of SA customers is shown in Appendix 4

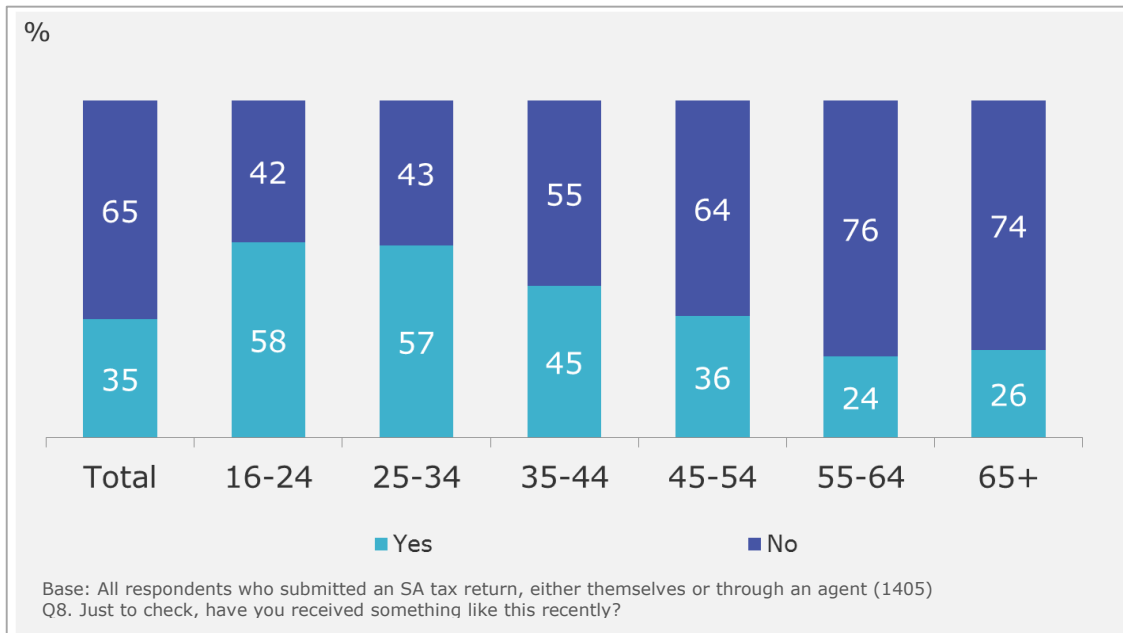
### 4.2 Recall of Tax Summary

A third (35%) of SA customers reported that they did recall receiving a tax summary. It is worth noting, though, that this research did not seek to understand the reasons why customers did not recall receiving the tax summary – customers may not have navigated their way to and accessed their online tax summary, or may not remember it.

Customers who reported knowing the exact amount, or have a good guess at how much Income Tax and National Insurance they paid in a year were more likely to recall that they received a tax summary (41%) than those who would need to check (26%).

Customers who submitted their SA online were more likely to recall receiving a tax summary than those who did so by post (38% and 28% respectively), as were those who completed the return themselves (43% compared to 16% who did not). Younger SA customers were more likely to recall receiving a tax summary than older SA customers (57% of customers aged 16-34, 40% aged 35-54, and 25% of those aged 55 and above) (Figure 4.1). Men were also more likely to recall receiving a summary than women (40% compared to 26%). This reflected that men and younger SA customers were more likely to report that they knew the exact amount of tax and National Insurance they were paying, as were those who had submitted their SA return themselves.

**Figure 4.1 Recall of tax summary by age (SA)**



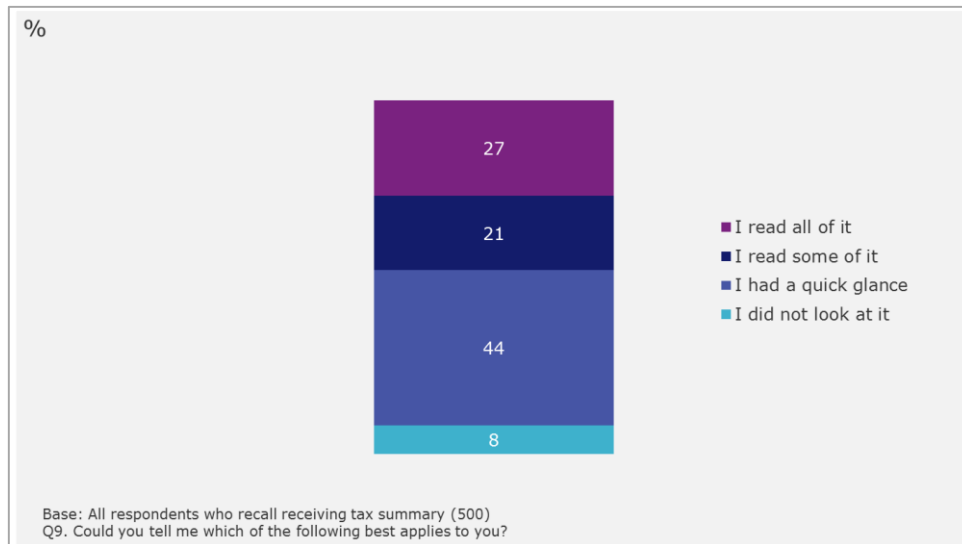
The following data and analysis regarding SA customers refers only to those who recalled receiving the tax summary.

**4.3 Actions on receiving Tax Summary**

Around half (48%) of SA customers read all (27%) or some (21%) of the tax summary (Figure 4.2). Just under half (44%) just glanced at the tax summary, and around one in ten (8%) did not look at it (Figure 4.2).

SA customers who reported knowing, or being able to have a good guess at how much Income Tax and National Insurance they had paid, were more likely to have read all of the tax summary (31%), compared with those who would need to check what they paid (17%). Within this there was some variation, however – 39% of those who reported knowing the exact amount of Income Tax and National Insurance they had paid said that they had read all of the tax summary, compared with 23% of those who reported that they could have a good guess.

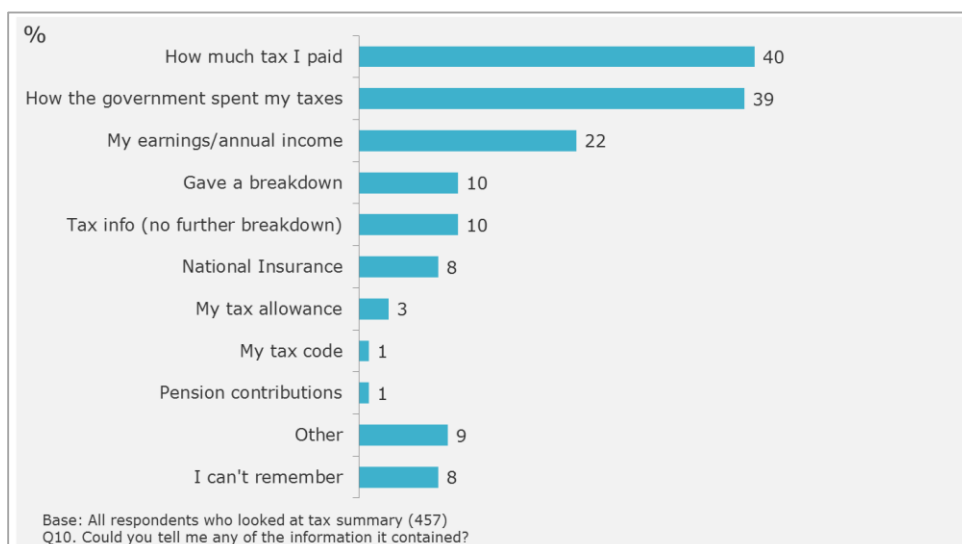
**Figure 4.2 Reading of tax summary (SA)**



SA customers were then asked what information they could remember being contained in the tax summary. Two in five (40%) customers remembered that the tax summary outlined how much tax they paid, and a similar proportion (39%) remembered that it outlined how the government spent their taxes (Figure 4.3). One in five (22%) remembered that it showed their annual income. Around one in ten (8%) could not remember what information was contained in the tax summary.

Half of customers in social grades AB recalled that the tax summary contained information on how much tax they paid (48%) and how government spent their taxes (51%). This was lower for those in social grade DE (24% reporting that it contained information on how much tax they paid, and 25% how government spent their taxes). Men were also more likely to recall that that tax summary contained information on how government spent their taxes (42% compared to 33% for women).

**Figure 4.3 Information contained in tax summary (SA)**



#### 4.4 Opinions of Tax Summary

When asked how clear it was from the tax summary that the figures were about the amount of tax they personally paid, the vast majority (94%) of SA customers reported that the tax summary was very or quite clear (Figure 4.4).

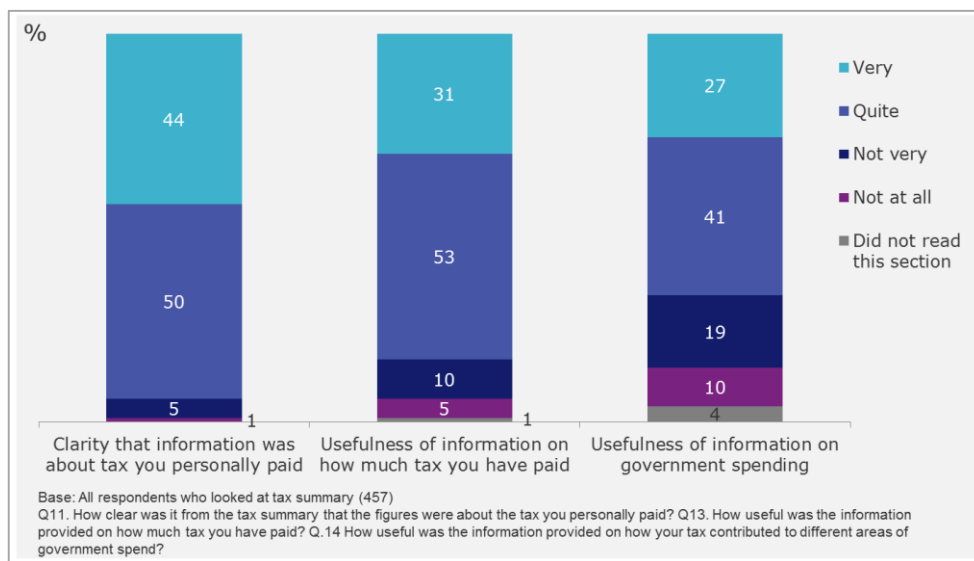
Again, perceptions of clarity were related to reported personal knowledge of tax payments. Half (48%) of customers who reported knowing, or could have a good guess at how much Income Tax and National Insurance they paid thought it was very clear. This was lower (33%) for those who would need to check how much tax they paid.

The majority of SA customers (84%) reported that the information provided in the tax summary on how much tax they paid was very or quite useful. Two in three (68%) SA customers felt the information provided in the tax summary on how their tax contributed to different areas of government spend was useful.

Customers who reported knowing the exact amount, or could have a good guess of Income Tax and National Insurance they paid were more likely than those who would have to check to suggest that the tax summary was very useful for showing how much tax they paid (34% compared to 24%).

Those who reported knowing the exact amount, or could have a good guess at the amount, of Income Tax and National Insurance they paid were also more likely to say that the tax summary was very useful in showing how their tax contributed to different areas of government spend (36% compared to 19% of those who would need to check). Linked to this, younger SA customers were also more likely to state that the tax summary was very useful for showing how their tax contributed to different areas of government spend (38% of customers aged 16-34, 27% aged 35-54 and 21% aged 55 and above).

**Figure 4.4 Clarity and Usefulness of tax summary (SA)**



SA customers were also asked, unprompted, to suggest improvements to the tax summaries. Just under half (44%) suggested no improvements, while 13% did not know of any. There was generally little consensus amongst customers in terms of suggested improvements, with very few customers agreeing any one particular improvement. The main improvements suggested were to provide more detailed information (7%) in particular a more detailed breakdown of the tax they paid and how it is spent and generally making it simpler or clearer to read and understand (12%).

#### **4.5 Contact with HMRC as a result of receiving Tax Summary**

Around half (47%) of SA customers reported that they followed the web link. Of these, 50% did so to seek further information, while 24% did so to provide further feedback and 18% to submit a query using the online form.

A minority of SA customers sent a letter to HMRC (13%) and/or telephoned (11%) as a result of receiving the tax summary. Of those who telephoned or sent a letter, 39% reported they did so because they thought their tax figures were incorrect and 30% as they wanted to check whether they were correct. A further 39% did so because they wanted additional information about tax and public spending, whilst 17% said that they had done so as they had believed the tax summary was a demand for payment. SA customers who reported knowing the exact amount, or being able to have a good guess at the amount of tax they paid were more likely than those who would need to check to phone HMRC (14% compared to 4%) and to send a letter (16% compared to 4%). Those who contacted HMRC were also more likely to be younger customers. A third (31%) of SA customers aged 16-34 years telephoned HMRC and a similar proportion (32%) wrote to HMRC. This compares with 10% of those aged 35-54 telephoning HMRC, and 11% writing to HMRC, and lower proportions still for those aged 55 and above (2% and 5% respectively).



# 5. Appendix 1

Images of the PAYE tax summary are shown below. These are the same images that were shown briefly to customers during the survey.



## Your Annual Tax Summary 2013-14

Mrs A N Smith  
1 Anystreet  
Anytown  
WX1 2YZ

### Dear Mrs Smith

For the first time we are sending you an Annual Tax Summary. This is to show you how your Income Tax and National Insurance contributions (NICs) are calculated and how your money is spent by the Government.

**This is for your information. You do not need to contact us as this is not a demand for payment.**

This is how we worked out your tax for 2013-14

<b>Your taxable income</b>	
Total income from employment	£23,000.00
<b>Your income before tax</b>	<b>£23,000.00</b>
Less your 2013-14 tax free amount	£9,440.00
<b>You pay tax on</b>	<b>£13,560.00</b>

Your tax was calculated as

<b>Income Tax</b>		
Basic rate Income Tax	£13,560.00 at 20%	£2,712.00
<b>Total Income Tax</b>		<b>£2,712.00</b>
<b>National Insurance contributions (NICs)</b>		<b>£1,829.76</b>
<b>Total Income Tax and NICs</b>		<b>£4,541.76</b>
<b>Your income after tax and NICs</b>		<b>£18,458.24</b>

Your employer pays

<b>National Insurance contributions</b>	<b>£2,112.48</b>
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For more information go to: [www.hmrc.gov.uk/taxsummary](http://www.hmrc.gov.uk/taxsummary)

Go to our website to find out more about your Tax Summary, and for a list of indirect taxes such as VAT

Your taxable income

**£23,000.00**

We know this from information supplied to us by you, your employer(s) or your pension provider(s).

Tax free amount

**£9,440.00**

After your allowances, deductions and expenses your total tax free amount for 2013-14 is £9,440.00. This is the amount you received in the tax year 2013-14 without paying tax.

Your tax and NICs

**£4,541.76**

This is 20% of your taxable income. For every £1 of income, you paid 20p in Income Tax and NICs.

Your income after tax

**£18,458.24**

This is your income after Income Tax and NICs.

The table on the other side of this page shows how the government has spent your taxes.

Tax Summary for Mrs A N Smith for the tax year 2013-14

HMRC 02/14

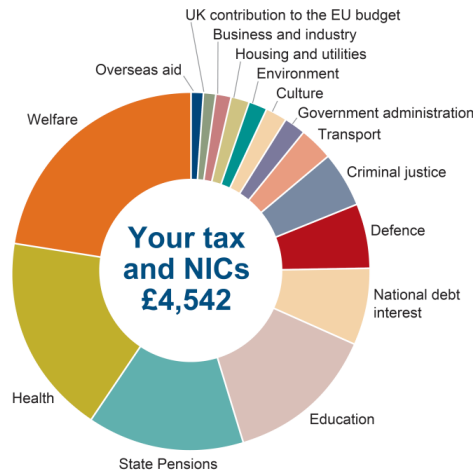
## How your tax was spent in 2013-14

The information on this page shows you how your Income Tax and National Insurance contributions were spent in 2013-14. This does not include indirect taxes such as VAT and other duties.

For more information about your tax and public spending, go to [hmrc.gov.uk/taxsummary](http://hmrc.gov.uk/taxsummary)

### How your tax contributed to public spending

	Your contribution
<b>Welfare</b>	<b>£1,024</b>
<b>Health</b>	<b>£842</b>
<b>State Pensions</b>	<b>£682</b>
<b>Education</b>	<b>£591</b>
<b>National debt interest</b>	<b>£321</b>
<b>Defence</b>	<b>£246</b>
<b>Criminal justice</b>	<b>£213</b>
<b>Transport</b>	<b>£126</b>
<b>Government administration</b>	<b>£113</b>
<b>Culture eg sports, libraries, museums</b>	<b>£94</b>
<b>Environment</b>	<b>£82</b>
<b>Housing and utilities eg street lighting</b>	<b>£75</b>
<b>Business and industry</b>	<b>£69</b>
<b>UK contribution to the EU budget</b>	<b>£40</b>
<b>Overseas aid</b>	<b>£25</b>
<b>Total</b>	<b>£4,542</b>



All figures are rounded to the nearest pound.

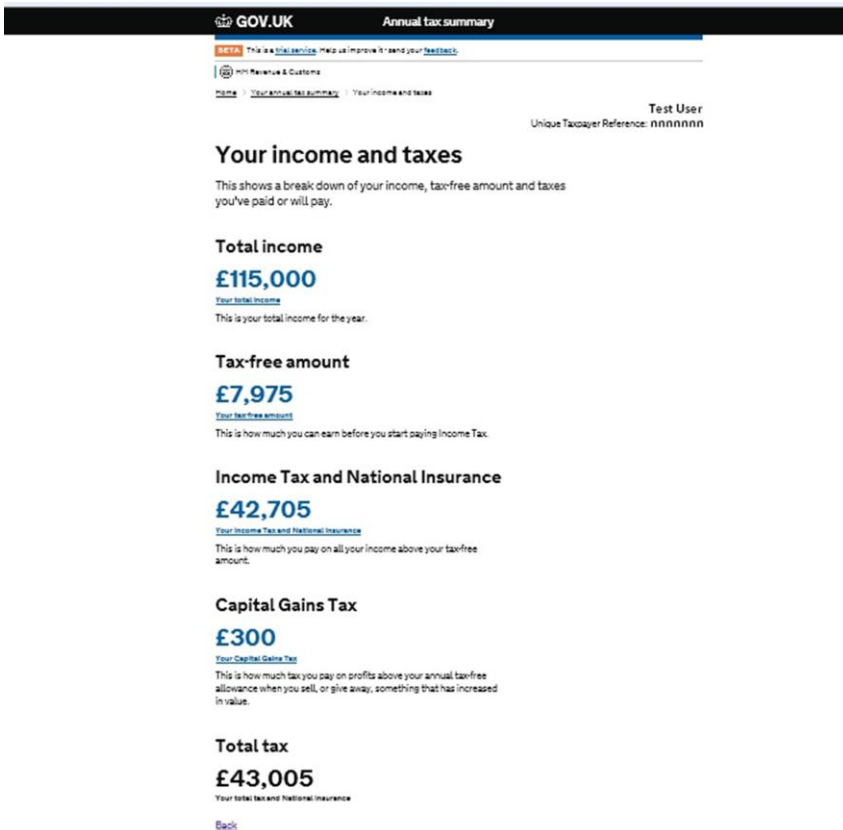
The figures in the table above are intended as a guide to how taxes are spent and not as a direct link between your Income Tax, National Insurance contributions and any specific expenditure.

If you would like to opt out of receiving future tax summaries please register at [gov.uk/taxsummary](http://gov.uk/taxsummary)

Spending information is published by HM Treasury.

# 6. Appendix 2

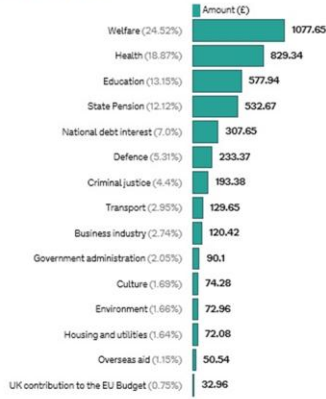
Images of the SA tax summary are shown below. These are the same images that were shown briefly to customers during the survey.



## Your taxes and public spending

This shows a breakdown of how your taxes have been or will be spent by government.

[View this information as a table](#)



# 7. Appendix 3

## 7.1 PAYE Survey

### 7.1.1 TNS Face to Face Omnibus Survey

Fieldwork for the survey was conducted between 5<sup>th</sup> December 2014 and 19<sup>th</sup> January on the face to face TNS Omnibus survey using Computer Assisted Personal Interviewing (CAPI). A total of 2756 eligible PAYE customers took part in the survey.

The TNS Omnibus employs a random location methodology to achieve in home interviews with 4,000 adults aged 16 or over, each week. To create the sample frame we split the country into different sample points. The sampling points were originally defined using 2001 Census small area statistics and the Postcode Address File (PAF). These points are areas of similar population sizes formed by the combination of electoral wards with the constraint that each point must be contained within a single Government Office Region (GOR). In addition, geographic systems were employed to minimise the amount of time taken to cover each area, making it as efficient as possible.

TNS defined 600 points south of the Caledonian Canal in Great Britain (GB) and five to the north of the Canal. These latter points differ in size from the other points and each other to meet the need to separately cover the different parts of the Highlands and Islands.

### 7.1.2 Stratification and Sample Point Selection

Each wave of the Omnibus selects 333 of these points south of the Caledonian Canal for use (after stratification by Government Office Region). They were also checked to ensure representativeness by an urban and rural classification. These points are then split into two equal batches: one batch is issued in the first week; the other used in the next week. One of the points north of the Caledonian Canal is also used. The statistical accuracy of the GB sampling is maximised by issuing sequential waves of fieldwork systematically across the sampling frame to provide maximum geographical dispersion. This ensures that the sample point selection remains representative for any specific fieldwork wave.

### 7.1.3 Selection of Clusters within Sampling Points

All of the sample points in the sampling frame are divided into two geographically distinct segments, with each containing, as far as possible, equal populations. For the Omnibuses, alternative A and B halves are worked for each wave of fieldwork. Each week, different electoral wards are selected in each required half, and with Census Output (OAs) Areas being selected within those wards. Groups of OAs containing a minimum of 130 addresses are sampled in those areas from the PAF (a maximum of 200 addresses are issued per interviewer assignment).

### 7.1.4 Interviewing

The addresses are issued to achieve a sample of 13, 14, 16 or 18 interviews in areas outside of London and 12, 14 or 15 within London, depending upon the questionnaire length. Individuals have to be at least 16 years of age to be eligible to participate in the Omnibus. Each interviewer's Omnibus assignment is conducted over two days of fieldwork and carried out weekday 2pm-8pm and at the weekend. Quotas are set by gender/working status. Within the female quota, a presence of children and a working status

is set. For the male quota, a working status is set, to ensure a balanced sample of adult men within effective contacted addresses. All interviewers must leave six doors between each successful interview.

### **7.1.5 Survey Eligibility**

All customers who participated in the TNS Omnibus during the fieldwork period were asked screening questions for the PAYE Tax Summaries survey. In addition to being 16 years or older, for a respondent to had to:

- Have any Income Tax deducted by their employer from their pay or (if aged 55 years or over) have any Income Tax deducted by a pension provider directly from their pension
- Have not submitted, or plan to submit, a self assessment tax return to HMRC by 31 January 2015

This screening process therefore excluded those who were:

- Non PAYE customers
- Self-Assessment customers

## **7.2 SA Survey**

### **7.2.1 Lightspeed Survey**

The survey of SA customers was conducted online using the LSR online panel<sup>7</sup>, between the 5<sup>th</sup> and 13<sup>th</sup> February 2015. The survey was conducted amongst SA customers who submitted a SA return between 6 April 2014 and 31 January 2015, achieving 1405 interviews.

The LSR-GMI online panel has 400k+ users in the UK, with 200k active panellists – respondents whom have actively entered their portal within the last 30 days.

Lightspeed GMI works in partnership with both broad-reach portals and special interest sites to recruit panellists, resulting in a diversity of panellist profiles. This enables them to target and recruit hard-to-reach source groups when required. They also employ different recruitment messages, including opt-in email, co-registration, e-newsletter campaigns, and traditional banner placements, as well as both internal and external affiliate networks. Social media is also included through recruiting partners. This further diversifies the panel composition. Lightspeed GMI panels are used solely for market research purposes.

Lightspeed GMI monitors the panel composition and variables needed for sample selection by collecting household and demographic information from every panellist. They collect extensive socio-demographic profile information through a range of sector-specific screener surveys including automotive, business to business, beauty/personal grooming, beverages, family/household, finance, health and wellness, media consumption, mobile phone, small business, sports/hobbies, and travel.

Once the criteria for a study are defined, Lightspeed GMI selects panellists based on stored background information collected during the registration survey and ongoing profiling and screening surveys. The sample size is based on the response rates for the sample as a whole and can be based on the response rates within specified quotas. Panellists can be invited in batches. During the fieldwork, Lightspeed closely monitor the batches and invite additional panellists in order to complete the fieldwork on time.

A proprietary tool is used, to send email invitations at designated times. Additionally, to avoid survey bias and ensure fresh sample for tracking studies, Lightspeed GMI can apply exclusion criteria to any sample

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<sup>7</sup> The online panel is managed by Lightspeed Research, a sister company of TNS.

selection. They have extensive panellist survey history and can track the following survey categorizations:

- Sector (e.g., healthcare)
- Category (e.g., spirits, wines, beers)
- Research method (e.g., awareness and usage, tracking program, concept test)
- Date of survey completion
- Specific survey
- Survey status (e.g., completed, screened-out, selected)
- Previous waves of a tracker

### **7.2.2 Survey Eligibility**

All who participated in the LSR online panel survey during the fieldwork period were asked screening questions for the SA Tax Summaries survey. In addition to being 16 years or older, for a respondent to had to have submitted, either themselves, or through a third party, a self assessment tax return to HMRC between 6 April 2014 and 31 January 2015. This screening process therefore excluded those who were not SA customers.

### **7.3 Weighting**

Data for the PAYE survey was rim weighted to population targets set from the 2011 Census for region, age, gender and social grade. Data for the SA survey was rim weighted to SA population targets provided by HMRC for age, gender and method of filing (online or paper).

## 8. Appendix 4

### 8.1 PAYE Sample Profile

	Total number of interviews (unweighted)	Total number of interviews (unweighted %)	Weighted number of interviews	Weighted number of interviews (%)
<b>Gender</b>				
Male	4020	49%	3986	49%
Female	4174	51%	4208	51%
<b>Age</b>				
16 – 24	1102	13%	1198	15%
25 – 34	1488	18%	1345	16%
35 – 44	1220	15%	1411	17%
45 – 54	1211	15%	1394	17%
55 – 64	1162	14%	1181	14%
65+	2011	25%	1665	20%
<b>Social Grade</b>				
A	205	3%	264	3%
B	1147	14%	1556	19%
C1	2025	25%	2524	31%
C2	1694	21%	1713	21%
D	1473	18%	1027	13%
E	1650	20%	1111	14%



## 8.2 SA Sample Profile

	Total number of interviews (unweighted)	Total number of interviews (unweighted %)	Weighted number of interviews	Weighted number of interviews (%)
<b>Gender</b>				
<b>Male</b>	641	46%	913	65%
<b>Female</b>	764	54%	492	35%
<b>Age</b>				
<b>16 – 24</b>	114	8%	48	3%
<b>25 – 34</b>	249	18%	106	8%
<b>35 – 44</b>	247	18%	267	19%
<b>45 – 54</b>	289	21%	337	24%
<b>55 – 64</b>	250	18%	252	18%
<b>65+</b>	256	18%	394	28%
<b>Social Grade*</b>				
<b>A</b>	233	17%	263	19%
<b>B</b>	310	22%	302	21%
<b>C1</b>	278	20%	265	19%
<b>C2</b>	219	16%	209	15%
<b>D</b>	118	8%	112	8%
<b>E</b>	104	7%	90	6%

\* Social Grade unknown for some SA respondents