

OTS evaluation and update note: PAYE

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Executive summary

The Office of Tax Simplification (OTS) is the independent adviser to government on simplifying the tax system. The work of the OTS is rooted in improving the experience of all who interact with tax. The OTS aims to improve the administrative process – which is what people actually encounter in practice – as well as simplifying the rules. These are often of equal importance to taxpayers and HMRC.

The impact of the work of the OTS is felt in a variety of ways, for example, through Ministerial responses to OTS reports¹, action taken on OTS recommendations, and through prompting more informed public debate. OTS reports are widely referred to in HMRC strategy documents, external publications and in the media, and a broad range of stakeholders inside and outside government take a keen interest in OTS publications and recommendations.

Accordingly, a regular part of the OTS's work is to take stock of how its recommendations have been received and responded to, by producing evaluation and update notes to inform stakeholders about progress made and to flag up specific recommendations for refreshed consideration. The OTS is grateful for discussions with HMRC, HMT and a number of stakeholders outside government in carrying out this work.

The OTS has recently published an update note² on certain aspects of two of its previous reviews:

- Simplifying everyday tax for smaller businesses (published in May 2019)³
- Life Events review: Simplifying tax for individuals (published in October 2019)⁴

This is one of four additional, separate update notes dealing with other specific areas covered by those two reviews. This paper specifically looks at PAYE and related Real Time Information (RTI) issues; the other update notes deal with Agents, the Single Customer Account, and the High Income Child Benefit Charge and its wider implications.

¹ See, for example, the Chancellor and Financial Secretary to the Treasury's response to the 'Simplifying everyday tax for smaller businesses' report

² <https://www.gov.uk/government/publications/ots-everyday-tax-evaluation-paper>

³ <https://www.gov.uk/government/publications/simplifying-everyday-tax-for-smaller-businesses>

⁴ <https://www.gov.uk/government/publications/ots-life-events-review-simplifying-tax-for-individuals>

The PAYE system

The PAYE system was introduced in 1944 and since then has been an effective way of collecting Income Tax and National Insurance contributions from employees and pensioners. HMRC figures show Income Tax payments made through PAYE brought in £167 billion in tax receipts in tax year 2020-21,⁵ which accounts for 29% of HMRC's overall tax receipts that year.

The recent OTS paper on Tax Year End date⁶ illustrated the scale of the PAYE system, with HMRC operational data showing total of 42.4 million individual recipients (made up of employees and pension recipients) in the PAYE system for tax year 2020-21.⁷

While in many cases the PAYE system means employees and pensioners pay their tax with ease and with relatively little interaction with HMRC, there are a number of issues raised in the two reports which highlight that the PAYE process does not work so smoothly for everyone. The size and scale of the PAYE system and the number of tax codes issued means that even small errors in the system can affect many thousands of taxpayers and result in costs to both the individual and HMRC in trying to put right.

The OTS encourages HMRC to revisit the recommendations made in the two reports and to look again at its priorities for improving certain areas of the PAYE system.

Key Issues

The OTS acknowledges that the scope to make progress in the areas of PAYE and RTI in relation to the recommendations in its 2019 reports has been affected by the impact of the EU exit work and the Covid 19 pandemic on HMRC's resources and transformation delivery capacity.

Nevertheless, from the perspective of those outside HMRC there seems little evidence of HMRC planning or prioritisation to address the issues raised by the OTS and other parties.

The OTS identified a number of issues in its two 2019 reports – the key ones include:

- the lack of strategic direction for the PAYE regime
- the need for a fresh review of the PAYE RTI system to identify areas of improvement
- the need for improved external engagement with payroll professionals and agents
- the practical issues faced by taxpayers that arise from interactions with the PAYE system when starting work, changing jobs or taking on additional jobs
- various issues with PAYE codes and coding notices

⁵ <https://www.gov.uk/government/statistics/hmrc-tax-and-nics-receipts-for-the-uk> Table 1a.

⁶ Exploring a change to the UK tax year end date - GOV.UK (www.gov.uk) Annex F.

⁷ Identified with reference to unique National Insurance numbers or temporary references

- issues faced by employees when claiming expenses

A full list of the PAYE RTI recommendations from both reports can be found in Annex A.

Summary

The OTS considers that the key priority for HMRC and the government is to ensure that there is the commitment and funding in place to sustain continuous improvement and development of the PAYE system and to enable the effective operation of the Single Customer Account in relation to PAYE as well as other areas of tax.

- The OTS welcomes the setting up of HMRC's Income Tax Oversight Group (ITOG), a cross HMRC internal governance group, and hopes this will enable these issues to be addressed. In particular, the OTS would encourage HMRC to provide direction and transparency around future plans, priorities and work programmes in this area.
- The OTS encourages HMRC to engage with payroll industry and other tax professionals and agents further and more widely to harness the goodwill available to help inform and support positive changes in this area.
- Looking specifically at the recommendations in the reports, the OTS would like to see HMRC improve the quality and detail of the PAYE data collected, and the way this then processed, to deliver better outputs and outcomes for the employer and taxpayer. The focus should be on areas that cause taxpayers the most problems in practice such as those arising in connection with starting work, changing jobs or taking on additional jobs.

Another area, referred to in a number of previous OTS reports, is the potential for improvements to the tax coding system, including further work to improve the explanatory notes around tax coding notices and ways in which taxpayers can in effect change codes through their Single Customer Account. This could benefit millions of taxpayers but should also cut down on levels of customer contact received by HMRC and the associated costs of making manual corrections.

- With PAYE RTI submissions providing HMRC with one of the biggest sources of data, any improvements to the PAYE system will need to align with the ongoing design of the Single Customer Account to ensure that this data can be used to provide taxpayers with clear, accurate and timely information about their tax affairs.

It is essential that when the Single Customer Account launches that errors within the current Personal Tax Account are not carried forward and that the internal processing of taxpayer data behind the scenes is quicker, better and provides a much more complete and accurate picture of a taxpayers tax affairs in one place, for both the taxpayer and HMRC.

Chapter 1

Introduction

The simplifying everyday tax for smaller businesses report

- 1.1 This Chancellor-commissioned report looked at a wide range of issues affecting small businesses and employers. It made five recommendations¹ relating to PAYE and Real time information (RTI).
- 1.2 The key PAYE recommendation was recommendation 2, which stated the need for HMRC to prioritise implementing a strategic focus on the PAYE system.

The taxation of life events report

- 1.3 This report focussed on the complexities faced by taxpayers when interacting with the tax system at key points in their lives. It made 3 recommendations relating specifically to PAYE which the OTS consider remain a priority for HMRC to address, including:
 - considering practical issues arising when starting work, changing jobs, taking on additional jobs and claiming expenses
 - improving explanatory notes provided with coding notices
 - exploring the potential for developing automated checks to 'design out' errors such as the allocation of K-codes to smaller PAYE sources

Government response

- 1.4 A formal government response² to the Simplifying everyday tax for smaller businesses report was received from the Financial Secretary to the Treasury on behalf of the Chancellor. The response supported the findings of the report and said that the majority of the core recommendations (Recs 1-10)³ were accepted by the government with the rest left under consideration.
- 1.5 Of the recommendations that related to PAYE, recommendation 2 was accepted and it was confirmed that HMRC would be introducing a new regime ownership model to provide clear accountability for regimes including PAYE. Recommendation 5 was also accepted with the appointment of a senior official to oversee the Agent Strategy, with part of

¹ A full list of the PAYE related recommendations from both reports can be found in Annex A.

² Chancellor responds to OTS report on simplifying everyday tax for smaller businesses - GOV.UK (www.gov.uk)

³ A full list of the PAYE related recommendations from both reports can be found in Annex A.

their responsibility to oversee constructive engagement with the agent profession. Recommendation 3 however, was left under consideration.

- 1.6 No official response was received to the Taxation of Life Events report as this was not a Chancellor-commissioned review; however, HMRC are continuing to consider the recommendations made.

Progress and developments since publication

- 1.7 Since the publication of the reports in 2019, there has been limited progress made by the government and HMRC on the PAYE issues raised.
- 1.8 It is important to note that since the publication of the Life Events and Simplifying Everyday Tax for Smaller Businesses reviews in 2019, HMRC has had to prioritise policy and systems changes in respect to both EU exit and the Covid 19 pandemic. This has taken a huge amount of the transformation capacity of HMRC both in terms of finances and resources, leaving less capacity to make changes to other HMRC systems.
- 1.9 One area where HMRC have made some progress is in respect to implementing a strategic overview of the PAYE system, and any systems changes or improvements within it. While there have been limited changes to the system itself, HMRC have established an internal governance group with a strategic responsibility for Income Tax as a whole, including PAYE.
- 1.10 The OTS also understands that HMRC is beginning to look strategically at PAYE within the future tax administration framework, including any changes that would need to be made to make this a reality, and are working towards an internal 'roadmap'. This will cover the next 5 – 10 years and be a means to prioritise future improvements to the system.
- 1.11 The OTS also notes that there has recently been a positive change in the information that is available for agents to view in relation to their clients PAYE/RTI submissions. Agents can now view the same information as their clients.
- 1.12 A further improvement is the establishment of the Pension Industry Stakeholder Forum,⁴ consisting of HMRC and pension providers, to identify RTI issues and solutions that affect the pensions industry. This is a positive step, using external engagement to help identify and prioritise issues in an industry the OTS has highlighted as having complex problems with the PAYE system.

Tax Administration Framework Review

- 1.13 In July 2020 the government published their 10 year strategy to build a trusted, modern tax administration system.⁵ This was followed in March

⁴ <https://www.gov.uk/government/groups/pensions-industry-stakeholder-forum>

⁵ <https://www.gov.uk/government/publications/tax-administration-strategy>

2021 by a consultation on the Tax Administration Framework,⁶ and a summary of responses to the consultation published in November 2021.⁷

- 1.14 It will be important that any future changes to the PAYE system are in line with the future direction of the tax administration system as a whole, and that any decisions made as to the prioritisation of changes to the system fit with this.

⁶ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/972148/The_tax_administration_framework_Supporting_a_21st_century_tax_system_-_call_for_evidence.pdf

⁷ <https://www.gov.uk/government/consultations/call-for-evidence-the-tax-administration-framework-supporting-a-21st-century-tax-system>

Chapter 2

Analysis and prioritisation of the key issues

The big picture

- 2.1 The OTS considers that the key priority for HMRC and the government is to ensure that there is the commitment and funding in place to sustain continuous improvement and development. There needs to be systemic change, overseen by the new strategic oversight and governance arrangements, to support a programme of improvement to the PAYE system. This includes engaging with and accepting support from external stakeholders and ensuring that appropriate system and process changes are identified, prioritised and communicated.
- 2.2 Given the limited progress on the PAYE related recommendations from the two reports there are still a range of outstanding issues with the operation of the PAYE system. The OTS has received feedback on numerous occasions that issues with the PAYE RTI system were identified in the post implementation review in 2017, and that no significant changes have been made since then.
- 2.3 The recommendation made in the 'Simplifying everyday tax for smaller business' report that there should be 'a fresh review of the areas where the PAYE RTI system should be improved' is, therefore, still valid.
- 2.4 The OTS understands that the lack of progress on addressing issues is due in part to the limited capacity for change over the last 2 years due to the Covid 19 pandemic and EU Exit. However, it is important that HMRC develop a transparent process for identifying and prioritising changes that need to be made to the system.

Strategic ownership of the PAYE system

- 2.5 The establishment of an internal HMRC governance group, the Income Tax Oversight Group, covering all aspects of the Income Tax system, including PAYE, is a positive step. However, the OTS understands that the nature of this arrangement means that there is still no one person with an overall or strategic oversight of the system.
- 2.6 The OTS therefore reiterates the recommendation from the Simplifying everyday tax for smaller business report that 'A strategic focus on the PAYE system should be an HMRC priority to ensure effective implementation of improvements and system changes.' The OTS encourages HMRC to give this further consideration, including whether it would be beneficial to appoint someone to have oversight of the whole system.

The Single Customer Account

2.7 As part of the government's 10 year tax administration strategy, it was announced that a key part of this strategy would be the introduction of the single customer account.

'A single digital account for all taxpayers that is easily accessible and secure is a key component of the government's vision. This will bring together data across different taxes and different data sources in order to provide personalised services for taxpayers'¹

2.8 The single customer account will replace the current personal and business tax accounts, with the intention of including further functionality in time. In the Spring Budget 2021, the government announced £67 million of funding to help develop the Single Customer Account and the underlying customer record and a further £136 million investment over the three-year 2021 Spending Review.

2.9 To enable the Single Customer Account to be effective, the OTS considers that it is important that HMRC prioritise improvements to the PAYE system that will enable information to flow into the Single Customer Account successfully and for it function well. It is also essential that existing issues and errors within the personal tax account, such as internal calculators not being able to accurately to forecast PAYE income, are not carried forward into the Single Customer Account and that PAYE data on share scheme income appears successfully.

External engagement

2.10 As outlined above, work is ongoing by HMRC to create a high level 'roadmap' which will start to outline HMRC's priorities for PAYE, along with a timeline for change. The OTS encourages HMRC to consult on the detail as the roadmap is formulated. Increased transparency with the tax community will demonstrate that HMRC has a clear direction of travel and also encourage engagement by the tax community with any future changes. The OTS considers that there are many in the tax and payroll community who would be eager to assist HMRC in evaluating the significance and impacts of the various issues with the system, and HMRC should take full advantage of this.

2.11 The OTS welcomes the improvement in levels of engagement with the pensions industry and with tax agents since the 2019 reports were published.

2.12 However, during the consultation period for the Simplifying everyday tax report the OTS heard that constructive two-way discussions between HMRC and payroll professionals was not happening and that often payroll professionals felt that they and their concerns were dismissed. The OTS has heard that there continues to be issues in this area, and that any engagement with the payroll sector has not resulted in changes being made.

¹ <https://www.gov.uk/government/publications/tax-administration-strategy>

- 2.13 The OTS encourages HMRC to think more broadly about engagement with payroll providers to address this gap.
- 2.14 Additionally, the OTS encourages HMRC to provide a joined up approach with DWP in its external engagement about issues that affect those in PAYE and the Universal Credit system. The OTS has heard that current engagement can be separate, and that this causes frustration and lack of progress on issues that would benefit from an overarching response.

Education and awareness

- 2.15 The OTS remains committed to the need for improvement in the education and guidance available to taxpayers and indeed future taxpayers, to enable them to be able to pay the correct tax at the right time and to understand the consequences of their choices on their tax obligations. As the Life Events report outlined this remains particularly important at key stages in people's lives when they may be required to interact with the PAYE tax system for the first time or require a different level of interaction when their circumstances change.
- 2.16 In the OTS's recently published main Evaluation paper² of the two 2019 reports, the subject of taxpayer education is discussed in some detail and refers to a 2019 YouGov survey³ in which respondents were asked about the UK tax system.

"The results revealed an average score of 10.6 out of a possible 30, with almost half of those surveyed achieving less than 10. People surveyed typically did not understand areas such as tax codes, income rates and the Gift Aid system."⁴

- 2.17 Those taxpayers with little to no understanding of how the tax system works are ill prepared to be able to recognise when issues with their tax arise, or to be able to make informed decisions about their tax affairs. These people often have to rely on friends and families to help when things go wrong.
- 2.18 The OTS suggests, as part of HMRC's work on the Single Customer Account, that consideration is given to the ability to provide easy access to relevant help and guidance as part of any online services offered through the account. This could be through the use of on-screen prompts and help pop ups and links to more detailed guidance.

Taxpayer employment issues

- 2.19 The Taxation and Life events report identified a number of specific events in a taxpayers' life when interactions with the tax system could be difficult to either understand or carry out required actions. The PAYE system was designed in a time when it was more common for people to have a single 'job for life' but is no longer dynamic enough to fit with the modern ways of working where people often have more than one job or move between jobs more frequently.

² <https://www.gov.uk/government/publications/ots-everyday-tax-evaluation-paper>

³ The tax education gap: Majority of the UK don't understand personal tax | Deloitte UK

⁴ <https://www.gov.uk/government/publications/ots-everyday-tax-evaluation-paper>. Paragraph 2.3

Starting work

- 2.20 Often when entering employment for the first time a new worker may not have had any formal education about how the tax system works and while they may expect to see tax and National Insurance contributions being deducted from their payslip this will not explain how the amounts have been calculated. New workers need to complete a 'Starter checklist'⁵ in advance of their first payday to enable their employer to deduct the correct amounts from their pay. This requires the worker to know their National Insurance number and details of any student loans for example. If the National Insurance number is not known, either because it has been lost or never issued, the individual will need to contact HMRC to find out what it is, unless they have arrived from abroad and have never had a National Insurance number, in which case they will need to contact DWP. This may lead to a delay in completing the starter checklist.
- 2.21 Any delays or errors in the starter checklist information being received by the employer and submitted to HMRC can result in the new workers Income Tax being calculated using an 'emergency tax code'⁶. These codes allocate the personal allowance to a fixed pay period, either a week or month and may lead to too much tax being paid, because this type of tax code does not take full account of the personal allowance. If the employee knows little about how tax works, they may not realise this or seek to query it and so it will not be until HMRC carries out its annual reconciliation some months after the following 5 April will any overpayment be identified and a refund paid. The employer will continue to use the emergency code until HMRC issue a new tax code.
- 2.22 If a new worker completes the 'Starter checklist' without a National Insurance number and this is submitted through RTI by the employer, there is a possibility that duplicate PAYE records will be created for the taxpayer which may cause practical problems in the future.

Changing jobs

- 2.23 When employees move jobs there can be problems transferring their PAYE records between employers as this process is not automated and relies on the employee providing their new employer with the relevant information.
- 2.24 An example of some of the problems that may be faced is illustrated in standard current guidance offered to those moving jobs between government departments which states:

"Please note if you select a date of transfer other than the 1st of the month, this is likely to result in a number of pay related impacts. E.g. (1) You are likely to be considered to have two employers by HMRC and be subject to Emergency Taxation, (2) You may not meet payroll cut-off in

⁵ Starter checklist for PAYE - GOV.UK (www.gov.uk)

⁶ Tax codes: Emergency tax codes - GOV.UK (www.gov.uk)

your new department and be underpaid and (3) You may be overpaid with potential non-recoverable pension and student loan contributions.”⁷

- 2.25 While overpayments will eventually be refunded and underpayments collected through changes to the individuals tax code the following year, it can be very difficult for an individual to check and know if they are paying the right amount of tax.
- 2.26 Mid-year changes in tax codes that are not explained, limited information being available on the Personal Tax Account, delays in processing information and refunds being made when in fact tax is actually due are just some of the issues that taxpayers face. This will often then result in increased contact being made with HMRC to try and understand why things have changed and to try and put things right. While there is a facility within the Personal Tax Account for taxpayers to notify HMRC and correct information the range of options is limited, and taxpayers often feel the need to talk to an actual person to explain their circumstances and to be reassured that information will be corrected.

Multiple jobs

- 2.27 The Taxation of Life Events report also identified similar issues faced by taxpayers when they have more than one job at the same time. When taking on a second employment without leaving the first employment, the taxpayer does not have a form P45 to give to their new employer. The P45 shows the amount of Income Tax and National Insurance contributions paid up to the point in the year when an employment ends.
- 2.28 Instead, the taxpayer will have to complete the starter checklist and provide the information themselves to the employer. As part of the checklist the taxpayer will need to indicate that they have another job (or pension) by ticking a box. However, if they tick the wrong box the new employer will operate an emergency code as described above and will result in multiple personal allowances being given, as the personal allowance is highly likely to be already being allocated to income from the first job and will result in an underpayment of tax.
- 2.29 The OTS suggests that HMRC should look again at recommendation 5 from the Taxation and Life Events report to help inform its plans on areas to improve and simplify the PAYE system. These issues remain valid and a continual cause of concern and confusion amongst taxpayers and result in high volumes of contact with HMRC to try and resolve. Any improvements that can be made in these areas would seem to be a benefit to all parties involved.

Pensions

- 2.30 The report highlights that a particular area of stress and confusion for taxpayers is when they first receive their state pension or other pension and find it hard to see how their personal allowance has been allocated. This can

⁷ See section A2 box 33 at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/997207/Civil_Service_Employee_Transfer_Form__9.xlsx

be more difficult to understand when there are several pension sources as a result of increasing changes of job which is now far more common, each of which may come with its own pension.

- 2.31 The report suggests that clearer explanations on tax coding notices would help to mitigate some of the confusion taxpayers face, alongside access to a greater level of data and information made available through an individual's online tax account to clearly show why and how the allowance has been allocated.
- 2.32 The Taxation and Life Events report also identified the issues facing taxpayers who are in receipt of pensions alongside other income subject to PAYE. In these circumstances K-codes are used to ensure that the correct tax is collected.
- 2.33 K-codes can be confusing to the taxpayer as they denote additional taxable income rather than an amount of tax free personal allowance that the taxpayer more often associates with a tax code. The K-code is also limited to taxing no more than 50% of a source of income, and so in some circumstances taxpayers may be required for the first time to start completing self-assessment returns to enable HMRC to collect the balance of tax, which can be quite small amounts.

Duplicate PAYE records

- 2.34 The OTS continues to hear that there is an issue with there being duplicate PAYE records on the system for an individual's employment, an issue that was also identified in the Taxation and Life Events report. Situations where a record for an employment may be duplicated include where an employer switches payroll agent or software provider, or where businesses and therefore payrolls are merged. This can occur, for example, because HMRC systems do not pick up that an RTI submission from a new payroll agent (but on behalf of the same employer) is a continuation of an individual's employment rather than a new employment, due to the use of a new payroll ID by the agent.
- 2.35 In the case where there may be a duplicate record, or a record set up in error, the OTS has heard that there is no mechanism for deleting or cancelling this. The record is instead nullified, but remains on the system, which can cause confusion.

Changes in PAYE data where incomes sources cease or are one off

- 2.36 The OTS has heard that the current PAYE coding system is not dynamic enough to deal with income sources that cease or are one off, resulting in potentially large under or over payments of tax. These are particularly tricky to deal with for those taxpayers who are in PAYE and are not used to having to interact with the tax system.
- 2.37 Some underpayments can run into thousands of pounds and can cause financial difficulties for taxpayers, especially where the underpayment is over £3,000.
- 2.38 Under £3,000 the debt can be collected through the following years PAYE code, but for amounts above this the taxpayer needs to pay the amount

either through direct collection or - since October 2017 - through Simple Assessment.

2.39 Specific issues raised include:

- Employment sources where a P45 is not produced or fails to be processed
- Benefits in kind that cease
- Dividend sources that cease due to the company ceasing trading/dissolving
- One-off pension contributions
- One-off or annual bonuses

2.40 One example given was of a benefit in kind ceasing and HMRC being notified and changing the taxpayer's tax code to reflect this, only for it to be changed back again when a P11D is processed.

2.41 Another example is where bonuses are paid towards the end of the year (January to March) when it can be difficult for the PAYE code to be adjusted in time before the end of the tax year.

Notification of gaps in National Insurance contributions

2.42 It has been brought to the OTS's attention that while National Insurance contribution records are currently available on the Personal Tax Account, HMRC no longer write to people to let them know if there are any gaps in the contribution record.

2.43 Feedback received by the OTS is that taxpayers are often not aware that their record is available to check on the Personal Tax Account and that the Personal Tax Account does not flag that there are gaps in contribution records that may need attention. There is concern that this may be storing up problems for the future when people receive their state pension. A pop up in the new Single Customer Account could help to make the taxpayer aware of any gaps in their National Insurance records and inform them about the consequences of having contribution gaps on their pension and what if any action they need to take to resolve the issue.

Annex A

List of PAYE related recommendations from the 2019 reports

Simplifying everyday tax for smaller businesses report

- A.1 A strategic focus on the PAYE system should be an HMRC priority to ensure effective implementation of improvements and system changes.
- A.2 A fresh review of areas where the PAYE/RTI system should be improved should be carried out, possibly by the OTS.
- A.3 HMRC should routinely build agent awareness and needs into system design and improvement and its related guidance.
- A.4 The OTS recommends that, as is common in other regimes, HMRC consider accepting any RTI data subject to manual processing as provisionally correct for the purpose of the employer's ledger and account balance, until such time as the verification is completed.
- A.5 The OTS recommends that HMRC consider the process and terminology used for pensions under PAYE/RTI from an employer's perspective, to identify ways to simplify the regime and reduce the potential for errors.

Taxation and Life Events Report

- A.6 HMRC should incorporate consideration of practical issues arising in connection with starting work, changing jobs, taking on additional jobs and claiming expenses into its ongoing work to improve the operation of the PAYE system.
- A.7 HMRC should improve the explanatory notes provided with tax coding notices issued when people first receive the state pension, or another pension.
- A.8 HMRC should explore the potential for developing automated checks or other tools for 'designing out' errors such as the allocation of 'K-codes' to smaller PAYE sources.