



HM Treasury

# Advance tax certainty for major projects

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November 2025



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# Foreword

I am delighted to be sharing details of the new Advance Tax Certainty Service, which will provide a binding position on how tax rules will apply to major investment projects in the UK, before material investment has taken place.

The Advance Tax Certainty Service is part of the government's commitment to boosting long term economic growth in the UK.

When we took office, we knew that stability in the business tax environment would be fundamental to supporting businesses to invest and grow in the UK.

Last October, we set out our approach to stability in Corporation Tax, through a roadmap. This roadmap committed to further support major investment projects by establishing a tax certainty service and consulting on its design.

I am grateful to everyone that contributed to the consultation. The feedback we received reaffirmed how valuable this service will be for investment in the UK and helped to shape its operation.

I am pleased to say that HMRC will launch the Advance Tax Certainty Service in July 2026. We will review the service, considering feedback from users, and assessing potential improvements after its first year of operation. This will make sure that the service is delivering the certainty that investment projects need.

***Dan Tomlinson MP, Exchequer Secretary to the Treasury***

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# 1. Introduction

## Background

- 1.1. In last October's Corporate Tax Roadmap, the government confirmed the major features of the Corporation Tax regime for the duration of this Parliament. It also set out its commitment to providing certainty in the corporate tax system through improved guidance and the development of a new service for major investment projects that will provide confirmation of how tax will be applied to a project if it proceeds as planned.
- 1.2. The Advance Tax Certainty Service will build on the existing support offered by HMRC that provides taxpayers certainty. At Budget 2025, the government confirmed it is further improving tax certainty, by piloting a targeted advance assurance service for R&D reliefs from Spring 2026. This will allow small and medium-sized enterprises to gain clarity on key aspects of their R&D tax relief claims before submitting these to HMRC.
- 1.3. The government consulted on the Advance Tax Certainty Service between 26 March and 17 June 2025. Thirty-nine written responses were received from professional and representative bodies, businesses and tax agents.
- 1.4. HMRC also held a limited series of engagement events between August and September 2025 to discuss the content of the consultation with interested stakeholders.
- 1.5. This document summarises the responses received and sets out the government's plans for the service, and its implementation.
- 1.6. Technical guidance will also be published separately.

## Next steps

- 1.7. The Advance Tax Certainty Service will launch in July 2026. From July, taxpayers that are considering an investment project and believe they meet the entry requirements can apply for the service.
- 1.8. If you have any questions, please email [advancetaxcertainty@hmtreasury.gov.uk](mailto:advancetaxcertainty@hmtreasury.gov.uk) and [advancetaxcertainty@hmrc.gov.uk](mailto:advancetaxcertainty@hmrc.gov.uk)

## 2. Eligibility

### Entities eligible

2.1. The consultation explored how the government should set eligibility requirements for the service and set out that the service would be available to the corporate entities directly undertaking major investment projects in the UK. As such, it was initially proposed that entities that are or will be liable to Corporation Tax will be eligible.

**Question 1: What is the impact of giving eligibility to corporate entities that are or will be subject to CT and are directly undertaking major investment projects? Does this exclude any other structures investing in major projects which would significantly benefit from being in scope? How can advance tax certainty provide material wider benefit beyond the entity receiving the clearance?**

**Question 2: How can advance tax certainty provide material wider benefit beyond the entity receiving the clearance?**

2.2. Respondents confirmed that advance tax certainty would be a valuable tool and would give wider members of a group or the investment structure comfort. Some mentioned that it would enable investors to more accurately predict the overall commercial return they are likely to make on an investment, which supports those investors in making positive decisions to pursue a project in general, or to pursue the project in the UK rather than in another jurisdiction.

2.3. Respondents identified that it would be sensible to focus on entities that are, or will be, liable to Corporation Tax as these entities predominately make investments. However, if eligibility was determined based on liability to Corporation Tax only, a number of important investment structures would be excluded.

2.4. Just under half of respondents highlighted that entities may not be established by the time clearance was required. Some respondents believed that the process must not be restricted to one entity only, as others in the group should also benefit. A few noted that changes in ownership of the entity holding clearance should be accommodated.

### Government response

2.5. The government wants to encourage a broad range of investment structures to apply for the Advanced Tax Certainty Service. It has therefore decided that any entity investing in a major project (as defined below) will be eligible to apply. This includes both UK resident and non-UK resident entities.

2.6. A major project is defined as new investment planned on a specified project in the UK, which is not a continuation of ordinary spending. The amount may be reflected in an applicant's 'authorised



project spend' or similar. The project may have multiple delivery phases and accounting periods.

2.7. The government has considered feedback on joint applications and considers that it is important to allow multiple entities to apply for a single clearance, where they are investing in a joint project. This includes entities that may be under different ownership (e.g. members of a consortium or two independent businesses).

2.8. The government appreciates that the investing entity or the entity that will hold the relevant asset may not be in existence at the time of the application. In these cases, the clearance will take this into consideration and will apply to the entity on its incorporation/establishment.

2.9. In the event an entity that has been given a clearance is sold, or the ownership changes, the clearance can still apply (subject to the requirements/details of the clearance staying materially the same).

## **Financial threshold**

2.10. Respondents were asked their views on how a quantitative threshold could be set for entry into the Advanced Tax Certainty process. The consultation explained that the government anticipates setting a threshold that entails dozens, rather than hundreds, of projects being serviced per year to ensure optimal service levels.

### **Question 3: What is the best way of quantifying the fixed and intangible investment for the purposes of assessing whether a project meets the threshold? Do you agree that authorised project spend is a suitable metric?**

2.11. The majority of respondents felt that authorised project spend incorporating fixed and intangible assets was a useful measure of quantifying eligibility for the overall service. A small proportion of respondents identified that any initial assessment should take into account that many large investments into infrastructure typically phase expenditure in stages, and the initial authorised spend may not take into account whole of life project cost.

### **Question 4: Is there a set amount of expenditure that would prompt you to seek a clearance or certainty, or would this be more attributable to the amount of tax and uncertainty in treatment?**

2.12. Only a minority of respondents felt that there was a specific level of expenditure which would prompt them to seek a clearance. The remainder of respondents felt that seeking a clearance was driven much more by the tax at stake relative to overall project spend, and the overall degree of complexity or uncertainty inherent in the tax treatment of the transaction. A small number of respondents noted that higher capital expenditure projects cannot necessarily be correlated with greater complexity.

### **Question 5: Are there supplementary criteria, which are objective and measurable, which could capture projects below the**

**quantitative threshold which are nevertheless of a national or strategic importance, are highly impactful on a relative basis within their sector, or that have large growth potential despite starting small?**

2.13. A large majority of respondents identified that supplementary criteria would be needed to ensure that significant projects would not be excluded from the service. Just over half of respondents felt that the government should align the eligibility criteria with the overall industrial or infrastructure strategy, with a few respondents suggesting that there should be some alignment with the definition of a 'major infrastructure' project. A number of respondents gave specific examples of other requirements that could be linked, e.g. a high number of jobs created or some form of emphasis on regional growth and regeneration of disadvantaged areas.

2.14. A few respondents noted that there was a need to design criteria that were objective and measurable by government without a customer having to provide too much by way of supporting documentation. Some respondents suggested that one route to eligibility should be accreditation by a government department.

## Government response

2.15. The consultation set out that the service would focus on the largest major investment projects. This will ensure that HMRC has capacity to deliver the service to an optimum standard. The government continues to believe that a financial threshold will ensure that applicants can clearly identify whether their projects are eligible.

2.16. Applicants will be required to assess in scope expenditure over the lifetime of the project to identify whether they have met the financial threshold. In-scope expenditure is defined as all project expenditure incurred in the UK less any financing costs or expenditure related to the acquisition of share or ownership interests in other business or entities.

2.17. The government has decided to set the financial threshold at £1bn. These projects represent the largest and most significant investments in the UK, with the biggest impact on economic growth.

2.18. The government recognises that there are projects that will not meet this threshold. The government will review the performance of the service when it has been in operation for 12 months, and will consider lowering the threshold as part of this review.

## 3. Scope

### Taxes in scope

3.1. The consultation set out that, following feedback, the government believed that stakeholders would benefit the most from certainty on Corporation Tax, but was open to exploring the case for expanding the process to other tax areas. It also confirmed that there will not be a requirement to demonstrate genuine uncertainty and that the process would not duplicate any other services or processes that are already in place to gain certainty.

**Question 6: In which areas of UK tax legislation would advance tax certainty have the most impact on investment decisions? Where possible please give examples of where lack of certainty has had a negative effect on an investment decision.**

**Question 7: Are there areas for which certainty would be of value that are not currently addressed by the non-statutory clearance process? What do you see as potential benefits and barriers to their inclusion?**

3.2. The majority of respondents agreed with the government's position that it would not be necessary to demonstrate genuine uncertainty. A few suggested that the service should act as a 'front door' to existing certainty processes.

3.3. Just over half of respondents specifically mentioned that it would be helpful to have certainty on Capital Allowances. A few respondents mentioned that including Research and Development (R&D) and the substantial Shareholding Exemption (SSE) rules would be valuable.

3.4. Some respondents wanted more certainty around interest deductibility. Of these, a few mentioned the Transfer Pricing rules or the Unallowable Purpose rules within the Loan Relationships regime and the Derivative Contracts regime.

3.5. Just over half of respondents sought more clarity on VAT, with a few mentioning VAT recovery and the Transfer of a Going Concern rules, whilst a small proportion of respondents wanted more certainty around Stamps taxes with a few mentioning Stamp Duty Land Tax (SDLT) specifically. A few respondents wanted more certainty around Employer Duties.

### Government response

3.6. The government wants to encourage a broad range of major investment projects to benefit from the Advanced Tax Certainty process and believes that the service should cover as wide a range of taxes as possible to ensure the facility is useful to investors. It has therefore decided that issues or queries relating to Corporation Tax, VAT, Stamps, PAYE and the Construction Industry Scheme will be included.

**3.7.** The government will not offer Advance Tax Certainty clearances on:

- Transfer Pricing or areas that require HMRC to opine on issues relating to, or involving, other fiscal authorities as these are available in specific circumstances via Advanced Pricing Agreements (APAs). Clearances for the valuation of assets will also not be included within the process.
- Purpose tests, including in relation to the Unallowable Purpose rules, given the level of investigation required to form a final view of purpose. However, HMRC is open to offering applicants a view, where appropriate, that there is a low risk of a future compliance intervention in relation to the Unallowable Purpose rules. HMRC will issue guidance in relation to this.
- Hypothetical scenarios. A project must be able to demonstrate that project spend is imminent or been approved through internal governance.

## **Form of clearance**

**3.8.** The government stated it would provide certainty through a process focused on specific, material issues within major investment projects, rather than general or hypothetical queries. A clearance issued as part of this process will not cover every tax detail but will confirm the government's view on the key matters referred. The clearance would represent a binding decision on the government's view of the law as applied to fully disclosed facts, unless these facts materially change, or there is a change in relevant legislation. This means the government would not seek to change its reading of the law as it applies to the issues and fact patterns on which a clearance is given

**Question 8: Who do you consider should be bound by an advance certainty clearance and to what extent? What form should that take?**

**3.9.** The majority of respondents said that only the government should be bound by the clearance, whilst a small proportion of respondents thought both the government and the customer should be bound.

**Question 9: What are the circumstances under which you consider it important to be able to continue to rely on a clearance?**

**3.10.** Some respondents said that clearances should be binding subject to material changes in facts or legislation. Of those, most stressed that it should be made clear what constitutes a 'material' change. A minority of respondents called for the clearance to be relied upon in the case of material changes in case legislation.

**3.11.** A few respondents identified that the clearance should apply for the entire duration of the project and others said that the clearance should still apply after a change of ownership. A small

proportion of respondents said that the process should have flexibility to review or make changes to the clearance where there have been alterations to the project.

## Government response

**3.12.** The government is committed to generating as much clarity as is possible through the Advance Tax Certainty process. The government therefore confirms that the clearance issued to the entity incurring the project expenditure will represent a binding decision on its view of the law, as applied to fully disclosed facts.

**3.13.** The clearance will bind the government against changing its interpretation of the law, but not against a change in case law and/or changes in legislation.

**3.14.** Clearance applications that involve any area of law that is subject to current change (such as going through a court process) will not be considered as part of the Advance Tax Certainty process and usual certainty processes will have to be considered. In line with the majority of respondents views, the government confirms the clearance will not bind the applicant. The government will only be bound to an aspect of the clearance where the applicant makes its tax return on the basis set out in the clearance.

**3.15.** The government reiterates that whilst there will not be a set limit of areas that can be covered by a single application, the process will have to be focused towards the areas of greatest value for the taxpayer. This is subject to complexity of the project and areas within the application, as well as the required turnaround. These areas will be discussed and agreed between HMRC and the applicant as part of the process outlined in the next chapter.

## 4. Process

4.1. All respondents positively engaged with every question concerning the operation of the clearance process. Contributions covered the full lifecycle of the clearance process, from early engagement, through application, scoping and clearance consideration to clearance issuance and maintenance.

4.2. Many respondents offered practical suggestions designed to achieve an agile and flexible process that works for both taxpayers and HMRC, as well as noting the strategic value of HMRC's willingness to engage on areas of uncertainty to inspire investor confidence and support UK competitiveness.

### Stages

#### Early Engagement

**Question 10: Do you consider that an early engagement facility would be helpful and why?**

4.3. There was unanimous support for an early engagement facility. Respondents highlighted this would enable taxpayers to clarify eligibility and scope at an early stage, before committing significant resources to an application, improve the quality of applications, and allow HMRC to allocate resources more efficiently.

4.4. Many responses emphasised the importance of early engagement being timely, proportionate, and accessible at the planning stage of a project. Several respondents emphasised that these conversations should be informal, so that concerns, such as red flags or gaps in information, could be easily raised ahead of formal review.

#### Government Response

4.5. The government considers early engagement prior to an application as key to providing customers with the opportunity to explore eligibility and likely scope before committing resources and so they will be a prerequisite to a clearance request.

4.6. Early engagement meetings will allow HMRC and customers to build a mutual understanding of the clearance process, timelines, commercial deadlines and supporting information requirements in advance.

#### Decision-making timescales

**Question 11: How would this process work with typical commercial decision-making timescales?**

4.7. Most respondents agreed that the process must align with commercial decision-making timelines to be effective, stressing that

delays in receiving a clearance could undermine the usefulness of the facility. A minority specifically noted the value of obtaining a clearance before board approval or financial close.

4.8. Respondents asked that HMRC commit to turnaround targets and offer indicative timelines that are responsive to project-specific needs.

4.9. Overall, respondents supported a model that is timely, adaptable, and capable of supporting fast-paced or phased investment decisions, particularly for large-scale or complex projects.

## Government response

4.10. The government recognises the importance of accurate timelines for clearances, particularly for those requested pre-transaction.

4.11. HMRC's ambition is for an average turnaround time of 90 days per application, from the submission of a formal application to the issuance of a clearance. However, as projects will differ widely in their complexity, urgency and scale of tax areas that require certainty, the process will not have a set turnaround time.

4.12. Instead, early engagement meetings, and further scope finalisation meetings following a formal application will serve to customise and agree target turnaround timelines with customers.

4.13. Target turnaround times will be contingent upon customer engagement levels and timely and full disclosure of information required for a clearance to be considered.

## Formal clearance applications

**Question 12: What facility would be helpful for unsuccessful clearance applications? Do you consider for example that the process should include reconsideration by HMRC on request?**

4.14. Many respondents asked for clear written feedback explaining why the application was ineligible and thought that applicants should be allowed to revise and resubmit applications, especially where issues are factual or structural.

4.15. Some suggested that reconsideration should be handled by a different HMRC officer or independent panel to ensure fairness.

4.16. A small proportion of respondents highlighted the importance of consistency between early engagement discussions and subsequent application decisions. This was seen as key to ensuring continuity and accountability throughout the process. There was a call for a coherent and predictable approach, where early engagement helps set expectations.

4.17. Finally, HMRC were asked to acknowledge that rejection does not imply non-compliance, to maintain trust and investor confidence.

## Government response

4.18. HMRC will use early engagement discussions to explain any foreseeable issues with eligibility, scope or availability of information on which to base a clearance that, in their view, may render any subsequent application on that basis ineligible.

4.19. Customers and HMRC will use these pre application discussions to address any concerns or discuss modifications to the clearance sought to minimise the risk of a clearance application being rejected. This means the government will not introduce an appeal process for rejected applications.

4.20. Customers will need to consider the timing of any early engagement discussions, to ensure there is sufficient information available for HMRC to assess eligibility.

4.21. Technical guidance will include an example of the format to be used for applications, as is the case for statutory clearance offerings.

## Scoping Meetings

**Question 13: Do you consider a scoping meeting to obtain clarity on scope of clearance, timing and inputs to be useful? What would a scoping conversation need to include?**

4.22. The value of a scoping meeting was universally acknowledged. It was seen as a crucial step to confirm project eligibility, assess suitability for a clearance, and clearly define the relevant transactions and tax issues. Respondents also viewed it as an opportunity to clarify documentation requirements and align expectations between HMRC and applicants. Some noted that this meeting could help mitigate the risk of delays or rejection by ensuring a shared understanding from the outset.

4.23. There was broad support for using the meeting to agree submission and review timelines that align with commercial decision points, and to prioritise tax issues or uncertainties that may affect project viability. There were recommendations that the scoping meeting should take place before submission of the full written application, to improve efficiency and focus.

4.24. Several respondents also highlighted the importance of distinguishing the scoping meeting from the early engagement step, noting that the former should be more structured and formal and leverage existing co-operative compliance knowledge of the customer.

4.25. Overall, the scoping meeting was viewed as an essential step in ensuring a focused, efficient, and collaborative process.

## Government response

4.26. When an application has been submitted, HMRC will hold a formal scoping meeting with the customer. This meeting will finalise the scope of tax areas, confirm the timetable and agree additional information requirements.



4.27. HMRC do not consider that scoping meetings can occur pre application as they are designed to finalise the process plan between HMRC and customers based on the formal clearance application and full disclosure.

4.28. HMRC expects scoping meetings to be largely confirmatory where there is little difference between what was discussed pre application and the formal application.

4.29. Scoping meetings offer a further opportunity to discuss eligibility, suitability and priority. Where HMRC consider an element of the request poses a significant risk of delay to the timeline, they will proactively discuss with the customer whether a change to the scope of the clearance, or prioritisation of areas of uncertainty key to project viability can better meet their expectations and commercial deadlines.

4.30. Whilst early engagement meetings explore much of the same territory as scoping meetings, the former are less formal and designed to inform a customer's decision to proceed with a clearance application. In contrast the scoping meeting checks that the formal application has not raised any new concerns and formalises the approach and timing of the process.

## Consideration and Issuance

### **Question 14: Are there process elements you would consider helpful during the clearance consideration phase?**

4.31. Responses identified a range of process criteria that could enhance the consideration phase and process overall and support a more effective and transparent experience for applicants.

4.32. A dedicated HMRC point of contact was the most frequently cited suggestion. This was seen as key to ensuring continuity, accountability, and clearer communication throughout the process. Most respondents also emphasised the importance of clear timelines and regular progress updates, noting that this would help manage expectations and reduce uncertainty.

4.33. The importance of an interactive and collaborative dialogue between HMRC and applicants was highlighted by most respondents. This included calls for opportunities to clarify technical issues in real time and to review draft conclusions before final decisions are issued. Respondents felt that such engagement would improve the quality of outcomes and reduce the risk of misunderstandings.

4.34. Transparency and trust were recurring themes, raised by just over half of respondents. Several contributors stressed the need for openness on HMRC's internal review steps and decision-making criteria. This was seen as essential to building confidence in the process.

4.35. Some respondents suggested that HMRC should provide formal acknowledgements of receipt and written summaries of scoping meetings. These could be shared with investors and regulators to support wider stakeholder engagement and assurance.

4.36. Some also highlighted the role of tax agents, recommending that they be permitted to submit applications and interact with HMRC on behalf of taxpayers. The use of secure digital communication channels was also encouraged to streamline interactions.

4.37. Flexibility was another area of focus, with some respondents suggesting HMRC should be able to accommodate changes in facts or circumstances during the process.

4.38. Finally, a small number of responses proposed a phased clearance model for large or complex projects. This would allow HMRC to provide early certainty on key priority areas, with more detailed submissions to follow at a later stage.

## Government response

4.39. HMRC will allocate a named 'lead' within the new Advance Tax Certainty Service team to act as the main point of contact for customers. Customers may engage agents to act on their behalf, although it is expected that the customer themselves also attends relevant engagement meetings.

4.40. Changes to fact patterns included in the application, or additional relevant facts that have emerged since the application, should be immediately disclosed to HMRC and may impact the ability to turnaround a clearance within desired time frames.

4.41. HMRC will reserve the right to consider if the degree or frequency of change is such that a fresh application is required or a not yet feasible and will, in the guidance, take steps to ensure that such changes cannot be used to achieve eligibility or scope outcomes different to that agreed in engagement.

4.42. HMRC will keep customers updated on progress toward issuance and seek to manage expectations as to the outcome.

4.43. The Advance Tax Certainty service is not to be used as a means of testing alternative tax planning structures, but to give certainty as to the compliance of an approach for filing purposes. HMRC aim to be transparent during the Advance Tax Certainty process and expect the same level of transparency from customers and their agents in return.

## Publication

**Question 15: What do you consider the advantages and disadvantages of publishing summarised and anonymised clearances to be? Has publication by other clearance jurisdictions aided tax certainty as a result?**

4.44. Most respondents thought that there were advantages to publishing clearances, because taxpayers in similar circumstances could also benefit from the clarity provided. However, they were also concerned about risks to confidentiality. Some taxpayers would be deterred from the service if clearances were published.

4.45. Many respondents suggested that this risk could be reduced if clearances were appropriately summarised and anonymised prior to publication.

## Government response

4.46. The government considers that there is a risk that publishing clearances could reveal commercially sensitive and confidential details, and after careful consideration has decided not to publish clearances at this time.

4.47. This position will be kept under review. When the service is underway, the government will be better able to assess whether there are ways of removing sensitive information so that the benefits of advance certainty can be shared.

4.48. HMRC will update guidance if, as a result of the process, it is clear that further information or clarifications in guidance would be helpful.

## Fees

4.49. The consultation invited respondents to give a view on whether taxpayers would be willing to pay to access the service.

4.50. Respondents offered mixed views. Many respondents said a fee would be appropriate if it was proportionate to the service received and if the fee was transparently applied. Some responses noted other countries charge fees for clearances and that a fee would not be a barrier to entry for large investment projects. Other respondents did not feel a fee would be appropriate given HMRC do not generally charge for services, and because this service is needed because of the complexity of legislation.

4.51. The government has decided not to immediately implement a charge for the Advance Tax Certainty Service, but will assess this position at the one year review.

# 5. Post Clearance Compliance

## Appeals against findings

5.1. Overall, respondents supported the introduction of a formal appeal mechanism where HMRC's position does not align with that of the customer. Many respondents felt that such a process would enhance transparency and fairness, particularly in cases where the rejection stemmed from a misunderstanding or where new facts had emerged. Some respondents suggested that appeals should be limited to specific grounds – such as procedural errors, factual misinterpretations, or changes in circumstances.

5.2. Many respondents advocated for appeals to be handled by a different HMRC officer or an independent panel. A minority recommended that the appeals process should include external oversight or input, such as involvement from other government departments or economic regulators.

5.3. Just over half of respondents emphasised the importance of receiving clear, written explanations for any decision, including technical reasoning enabling applicants to understand HMRC's position. Finally, a few responses raised concerns about the impact of appeal timelines on commercial decision-making, highlighting the need for a process that is both flexible and responsive.

## Government response

5.4. As clearances are not a mutually binding agreement, occur in advance of the filing date, and aim to give certainty as to HMRC's position, HMRC do not intend to provide an appeal or process review facility for clearances where HMRC's position does not align with that of the customer. Existing routes to challenge and appeal once the tax return is filed remain available.

5.5. HMRC rely on full disclosure and transparency throughout the process in order to arrive at their decision.

## Compliance and assessing the impact of change

**Question 16: What would you wish to see in terms of engagement for clearances where impacted post issuance by legislation, ownership, case law or key facts and assumption changes?**

5.6. Respondents generally supported structured post-issuance engagement between HMRC and applicants. Several respondents suggested mechanisms such as annual compliance discussions, confirmatory statements, or fast-track review processes. Others cautioned against introducing burdensome compliance requirements.

5.7. Respondents asked that HMRC defined “material” changes, stressing that minor factual variations such as timing or cost adjustments should not trigger a reassessment of the clearance.

5.8. There was broad support for a collaborative, proportionate approach to re-engagement, with some suggesting any review should be integrated into existing compliance relationships, such as those with Customer Compliance Managers (CCMs).

5.9. Respondents generally agreed that changes in ownership should not invalidate a clearance if the underlying facts remain unchanged. However, some suggested that HMRC should be notified and offered the opportunity to conduct a light-touch review.

5.10. Respondents generally accepted that HMRC could not provide protection against changes in law, but asked for clear guidance on the how changes in legislation or case law impacted existing clearances. A small number of respondents recommended transitional provisions, such as ‘grandfathering’, to protect investments already made. Others noted that it would not be practical for HMRC to proactively monitor all clearances for changes, stating this responsibility should rest with taxpayers.

## Government response

5.11. HMRC will seek to leverage existing co-operative compliance approaches in monitoring compliance, with the onus on the customer to advise of any changes they consider might impact their ability to continue to rely on the clearance.

5.12. In addition to setting out key facts and assumptions on which the clearance is based in the clearance itself, HMRC will provide indications in guidance of the types and level of change customers should notify to HMRC, though this should not be viewed as exhaustive.

5.13. In the event of a change of ownership of an entity to which a clearance applies, the clearance should be unaffected if the entity and the transaction to which the clearance applies remain unchanged and the clearance given does not rely on key fact patterns relating to the previous ownership.

5.14. Where assets to which the clearance applies change ownership, the clearance does not transfer with the assets and the acquiror will need to consider if they wish to apply for a clearance in their own name.

5.15. The Advance Tax Certainty Service does not bind HMRC where there is a change in the law. Customers are encouraged to discuss law changes with HMRC where they are concerned about its impact on a clearance.

## Renewals process

**Question 17: What should a renewals process look like, and is 5 years an acceptable trigger point?**

5.16. The consultation proposed that the duration of a clearance is likely to be five years and that taxpayers with projects extending beyond five years may apply for a renewal of a clearance. Respondents provided a range of views on this. Many proposed mechanisms to streamline engagement, including:

- Automatic reminders from HMRC ahead of the renewal date
- Light-touch reviews or confirmatory statements
- Integration with existing compliance relationships (e.g. CCMs)
- Clear guidance on what constitutes a material change

5.17. The majority of respondents agreed that a five-year renewal period could be reasonable, but only if the renewal process is proportionate and does not require a full reapplication, particularly where no material changes have occurred. Many favoured a confirmatory renewal model, where taxpayers attest that facts, assumptions, and legal context remain unchanged, and HMRC renews the clearance without extensive reassessment.

5.18. Several respondents cautioned that a rigid five-year trigger could undermine long-term certainty, particularly for infrastructure and real estate projects with development and operational phases extending well beyond five years. Some suggested that the renewal period should be tailored to the nature and duration of the project, with flexibility to agree the timeline at the scoping stage.

5.19. A minority of respondents opposed a fixed five-year trigger, arguing that it could introduce unnecessary administrative burden and reduce the attractiveness of the clearance regime. These respondents preferred clearances to remain valid indefinitely unless circumstances change.

5.20. Respondents commonly stressed that renewals should not revisit or expand the scope of the original clearance unless requested by the taxpayer.

## Government response

5.21. Clearances will be issued for an initial period of up to five years, in line with existing forward assurance mechanisms such as the Advance Pricing Agreements. Clearances beyond five years carry a significantly higher risk of being affected by project or business change and legal developments.

5.22. The government recognises that many major projects eligible for the clearance process will have projects extending beyond the initial five-year period, or in multiple distinct phases with separate investment decisions.

5.23. HMRC will take a pragmatic approach to renewing clearances and will take into account whether there have been any changes to key facts and assumptions, changes of ownership, or any legal developments that would impact the clearance.

5.24. Where only part of the clearance is affected by factual or legal developments, HMRC will work with customers to see if the remainder of the clearance can be renewed separately.

5.25. Customers concerned about renewal availability in the context of developments in the law, facts or change of ownership in the entity to which a clearance applies will be able to engage with the Advance Tax Certainty Service team for guidance on whether renewal or a fresh clearance is required.

## 6. Implementation

- 6.1. The Advance Tax Certainty Service will launch in July 2026.
- 6.2. As set out in the eligibility section, the government expects a small number of projects to be serviced initially and has set a £1bn initial financial threshold.
- 6.3. The government welcomes applications from any eligible projects and hopes to be able to match demand for the service. However, in the event there are many more applications than serviceable a process may be introduced to manage demand.
- 6.4. To assist in managing demand for this first year, the government intends to identify a pipeline of projects that are interested in applying for a clearance from July 2026. Interested applicants should consult technical guidance for further information.
- 6.5. Technical guidance, alongside legislation, will be published shortly after the Autumn Budget.

### One-year review

- 6.6. The government wants to ensure that taxpayers are getting the certainty they need from the Advance Tax Certainty Service.
- 6.7. The government will therefore assess whether any changes could improve the service for taxpayers when the service has been in operation for one year. As part of this assessment, feedback from those that have received s will be evaluated.
- 6.8. The government will also assess whether it will be possible to increase capacity, and lower the financial threshold.
- 6.9. The government will also take this opportunity to review its position on fees and publication of clearances.



## **HM Treasury contacts**

This document can be downloaded from [www.gov.uk](http://www.gov.uk)

If you require this information in an alternative format or have general enquiries about HM Treasury and its work, contact:

Correspondence Team  
HM Treasury  
1 Horse Guards Road  
London  
SW1A 2HQ

Tel: 020 7270 5000

Email: [public.enquiries@hmtreasury.gov.uk](mailto:public.enquiries@hmtreasury.gov.uk)