

LOW INCOMES TAX REFORM GROUP

HM Revenue & Customs
Equality Impact Assessment - Implementation of compulsory online filing for
VAT, Corporation Tax and Employers' Annual and in-year PAYE returns
SUPPLEMENTARY RESPONSE TO CONSULTATIVE DOCUMENT

1. Introduction

1.1. *About us*

- 1.1.1. The Low Incomes Tax Reform Group (LITRG) is an initiative of the Chartered Institute of Taxation (CIOT) to give a voice to the unrepresented. Since 1998 LITRG has been working to improve the policy and processes of the tax, tax credits and associated welfare systems for the benefit of those on low incomes.
- 1.1.2. The CIOT is a charity and the leading professional body in the United Kingdom concerned solely with taxation. The CIOT's primary purpose is to promote education and study of the administration and practice of taxation. One of the key aims is to achieve a better, more efficient, tax system for all affected by it – taxpayers, advisers and the authorities.

1.2. *This supplementary response*

- 1.2.1. Since submitting our response to this consultation paper last month further research has become available which we would draw your attention to as much of its focus is on the digital divide and vulnerable groups.

2. Digital Inclusion Research

- 2.1.1. On 24 October the Communities and Local Government published new research 'Understanding Digital Inclusion'.¹ The research – whilst highlighting the benefits digital technology can bring to vulnerable social groups – also identified individuals or groups who are most likely to be digitally disadvantaged and the barriers facing them.

¹ <http://www.communities.gov.uk/documents/communities/pdf/1000404.pdf>

- 2.1.2. Further reports dealing with people who are at a social disadvantage and profiling various vulnerable groups were also issued on the same day¹, the latter including some with disabilities. Each report identified barriers to be overcome if people without the ability to access and use technology are not to be left further and further behind as the divide grows between the haves and the have nots.
- 2.1.3. LITRG would recommend that this research and its recommendations are studied when looking at ways to lessen the impact of any HMRC initiative relying heavily on ICT and would in particular draw attention to the policy recommendation in one of the reports - 'An Analysis of Social Disadvantage and the Information Society'.²

'Online government initiatives are not reaching the most excluded.

This is not just about access. Government-related activities on the Internet such as to increase participation and electronic access to services are undertaken mostly by more sophisticated ICT users. Designers of government services need to understand that the socially and economically disadvantaged people who could benefit most by accessing their services will be the least likely to (be able to) use electronic means.

This emphasises the need for multi-channel approaches that provide alternative ways of accessing services; mediated access to online services where there are no alternative non-electronic channels, and building people's confidence and ability so that they have the choice to use them independently in the future.'

LITRG
5 November 2008

¹ <http://www.communities.gov.uk/communities/digitalinclusion/research/>

² <http://www.communities.gov.uk/publications/communities/digitalinclusionanalysis>