



NEWS ROUND-UP

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HMRC DELAYS AGENT SERVICES ACCOUNT APPROVALS

HMRC has extended the processing time for agent services account (ASA) and VAT agent reference number applications to 40 working days – eight weeks – up from the previous 28 days.

This change applies from the date HMRC receives an application.

Applications for an ASA must be submitted in writing, as no online application process is available. Agents must have an existing HMRC online services account and at least one authorised client for self assessment, corporation tax, PAYE, or VAT to create an account.

An ASA is required for agents to access essential online tax services. These include Making Tax Digital for VAT and Income Tax Self Assessment, the online tax registration service, the Income Record Viewer, capital gains tax on UK

property, the trust registration service, and taxes like plastic packaging tax, multinational top-up tax (MTT), and domestic top-up tax (DTT).

The increased processing time highlights the need for HMRC to invest in modernising its digital services. An improved digital infrastructure could streamline applications and provide accountants with better tools to manage clients' tax affairs.

For now, agents should account for the longer approval timeline when planning client services, particularly for new engagements requiring immediate online tax capabilities.



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17% RISE IN SCAMS TARGETING TAXPAYERS

HMRC has urged taxpayers to be alert to scams as the self-assessment season picks up. Over the past year, nearly 145,000 scam attempts were reported, a 16.7% increase compared to the previous year.

Fraudsters often pose as HMRC, using fake tax refund offers or demanding unpaid tax to steal personal and financial details.

Alarmingly, around half of all reports involved fraudulent rebate claims. HMRC has stressed that it never contacts taxpayers via text, email, or phone to offer refunds or demand payments. It will also never leave threatening voicemails about legal action or arrest.

HMRC says tax refunds can only be claimed securely through an official online account or the free HMRC app.

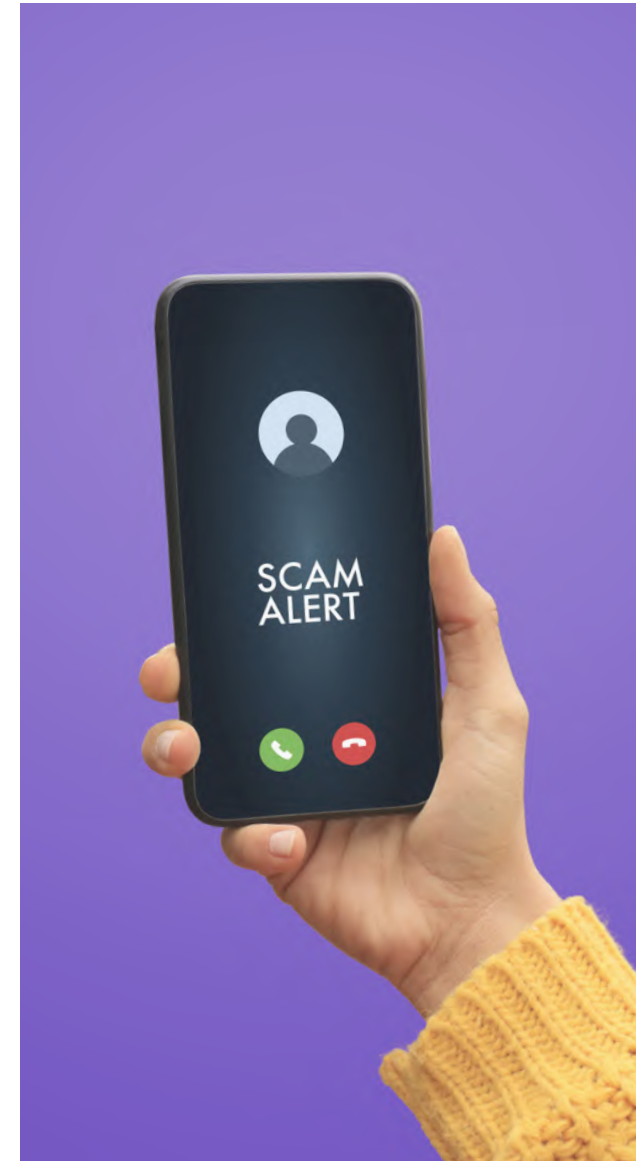
Suspicious messages or unexpected contacts should be ignored – do not reply, share information, download attachments, or click on links, as these can lead to data theft or malware attacks.

HMRC's advice to report scams:

- Forward suspicious emails to phishing@hmrc.gov.uk
- Report fraudulent calls via the HMRC website on gov.uk
- Forward scam texts to 60599

Earlier this year, the Government launched the 'Stop! Think Fraud' campaign, which was supported by organisations in law enforcement, tech, banking, and telecoms.

 **Talk to us about your taxes.**





1.1% GAMBLING LEVY PROPOSED FOR APRIL 2025

Licensed gambling operators could face a new levy from April 2025, calculated as a percentage of their Gross Gambling Yield (GGY).

Rates will range from 0.1% to 1.1%, varying by sector, operating costs, and harm caused. Operators earning under £500,000 in gross profits will be exempt, though this threshold may be reviewed by 2030.

The Government aims to raise £90-£100 million annually, with 50% allocated to NHS gambling treatment services, 30% towards harm prevention, and 20% for research led by the Gambling Commission and the UK Research and Innovation (UKRI).

Stake limits for online slots will also change, capped at £5 for over 25-year-olds and £2 for those aged 18-24.

The levy proposal received mixed feedback during the consultation process, which involved 68 respondents,

including operators like William Hill, NHS bodies, councils, charities, and lottery organisations. Only 35% agreed with using GGY as the basis for the levy, while 50% opposed it. Concerns were also raised about exempting smaller operators, with fears of loopholes and unfairness in distribution.

Currently, contributions to gambling addiction research are unequal, with some companies paying as little as £1 annually. The proposed levy seeks to address this imbalance and ensure sustainable funding.

If approved, the Gambling Commission will enforce the levy starting 6 April 2025.

Gambling Minister, Baroness Twycross, said:

“Gambling harm can ruin people’s finances, relationships, and ultimately lives. We are absolutely committed to implementing strengthened measures for those at risk, as well as providing effective support for those affected”



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GOVERNMENT WEBSITE TESTS CHATBOT FOR SMALL BUSINESSES

Two years after ChatGPT sparked a surge in artificial intelligence development, the Government has launched GOV.UK Chat, an experimental chatbot designed to deliver personalised, quick answers using information from relevant GOV.UK pages.

Unlike HMRC's tax manuals, this tool focuses on reducing bureaucracy and assisting small businesses in more efficiently navigating Government resources.

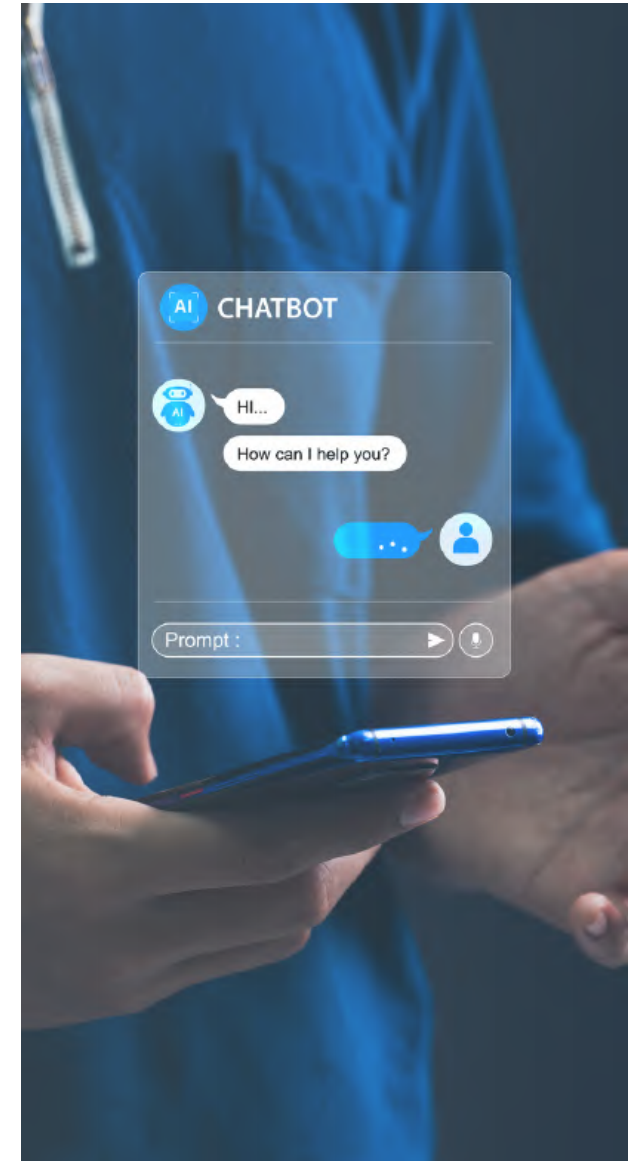
Powered by OpenAI's GPT-4o technology, the chatbot is part of a four-week trial involving up to 15,000 users. According to the Department for Science, Innovation and Technology (DSIT), the goal is to slash citizens' time searching for guidance. The trial builds on a more minor January test where 70% of users found the chatbot's responses helpful, and nearly 65% were satisfied with the experience.

If successful, GOV.UK Chat could eventually roll out across the Government's sprawling 700,000-page website, which currently serves over 11 million weekly users.

To access the chatbot, users must register on the GOV.UK Chat landing page by entering an email address and answering a few questions about their purpose for using it. Once registered, the chatbot is accessible on 30 key pages, such as "Set up a business," via a link or a button in the top-right corner.

The chatbot mimics HMRC's web chat interface but highlights the absence of human involvement. While still in its early stages, GOV.UK Chat represents a step forward in leveraging AI to simplify access to Government information for businesses and citizens alike.

 **Talk to us about your business.**



WANT TO TALK TO AN EXPERT?

If you've found the topics covered in this report to be of interest or you would like to delve deeper into any of them, we welcome the opportunity to engage in a more detailed discussion with you. Our team of experts is always keen to share insights, and we're confident that a conversation with us can provide valuable perspective.

We are also well-positioned to update you on the latest trends, opportunities and challenges in the business world. As we all know, staying ahead of the curve is vital in today's fast-paced business landscape, and we're here to help you navigate it successfully.

If you're considering getting extra support, we invite you to explore the comprehensive solutions we offer.



To schedule a meeting or to get more information, please don't hesitate to contact us.



Your Open Door Accountants



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