



HMRC has dropped its plans to extend Making Tax Digital (MTD) to corporation tax. Instead, new digital services will be introduced throughout 2025/26, as set out in its recently published transformation roadmap.

MTD for corporation tax

HMRC had not confirmed a date for introducing MTD for corporation tax, which has now been officially abandoned; the introduction of MTD for income tax from April 2026 also pushed the corporation tax element further down the priority list.

That leaves the question of how HMRC will modernise corporation tax administration in other ways, especially as the tax gap for corporation tax is now estimated at nearly 16%.

Digital services

The transformation roadmap sets out more than 50 information technology projects, services and measures, including:

- A new online service for Pay As You Earn taxpayers, which will make it simpler and easier for employees to check and update their income, allowances and reliefs. The new service will be available through an employee's personal tax account or through the HMRC app.
- The launch of a new expenses service, which will enable employees to submit claims for tax relief on their allowable expenses and to upload the supporting evidence all in one place.
- The expansion of digital services for the self-employed, which will improve the registration service and also streamline the exit process for those who no longer need to file a self-assessment tax return.

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A biometric voice system is already being used to verify taxpayers' identities when contacting HMRC, and this system will be expanded throughout the remainder of 2025/26.

HMRC's long-term aim is to end reliance on phone lines, which will come as no surprise given the long wait times and number of calls going unanswered. By 2030, HMRC intends for 90% of taxpayer interaction to be digital, either through personal tax accounts or using the HMRC app.

HMRC's transformation roadmap can be found [here](#).

We can help

If you require further information, please call us on **01753 888 211** or email info@nhllp.com. We are here to help.