

Consultation Response

Modernising and mandating
tax adviser registration
with HMRC

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Introduction

The Law Society of Scotland is the professional body for over 13,000 Scottish solicitors.

We are a regulator that sets and enforces standards for the solicitor profession which helps people in need and supports business in Scotland, the UK and overseas. We support solicitors and drive change to ensure Scotland has a strong, successful and diverse legal profession. We represent our members and wider society when speaking out on human rights and the rule of law. We also seek to influence changes to legislation and the operation of our justice system as part of our work towards a fairer and more just society.

Our Tax Law sub-committee welcomes the opportunity to consider and respond to the HMRC consultation: *Modernising and mandating tax adviser registration with HMRC* within the context of the Finance Bill 2025-26.¹ The sub-committee has the following comments to put forward for consideration.

General Comments

Definitions

We observe that the definition of tax adviser section 1(2) is extremely wide and would bring many practitioners, who are not necessarily tax advisers, into scope. The wording in s1(2) would, for example, encompass conveyancers completing Stamp Duty Land Tax (SDLT) returns (although not those solely practicing in Scotland or Wales and therefore submitting LBTT or LTT returns), corporate lawyers drafting warranties, employment lawyers drafting settlement agreements and a wide range of professionals who do not purport to give tax advice. We suggest consideration should be given to limiting the definition further to include only those who provide meaningful tax advice services.

We would also highlight with concern the broad and vague nature of the term “interact with HMRC”. As drafted, this could refer to occasional or incidental correspondence rather than substantive work. As currently drafted, most law firms would reasonably conclude that they will fall into scope of the proposed legislation, potentially influencing their decision to provide certain services (including dedicated tax advice) in the future. As per our previous consultation responses concerning other HMRC proposals in this area, we consider that it would be more appropriate if the regime was more targeted towards those agents who present the greatest compliance risk.²

¹ [Modernising and mandating tax adviser registration with HMRC - GOV.UK](#)

² [Enhancing HMRC's ability to tackle tax advisers facilitating non-compliance](#)

We are unclear as to the exact definition of ‘senior manager’ within the draft legislation. We would observe that the term of “senior manager” used to link individuals to a firm will not function well for complex legal practices. In large law firms, senior managers (such as, say, a partner in the litigation practice) may have no involvement in the tax practice or interaction with HMRC. We would welcome clarity from HMRC on this point and how they will address this.

Scope

The draft legislation is somewhat unclear about whether it applies to individuals or the organisations within which they work. We assume that the legislative intention is that it would apply at the organisational level – i.e., where advice is delivered through an organisation it is the firm only that is to be registered. This is more practical than registering every adviser individually. Requiring both would create unnecessary duplication and cost. While the draft legislation is mainly constructed on the basis that firm registration is sufficient, this is not the case throughout.

Furthermore, we would observe that the structures of law firms are often complex and, often, involve more than one partnership – e.g., a multinational firm may have specific partnerships in each jurisdiction where it operates. Given these complexities, we are unclear as to what the term ‘organisation’ means. We would welcome clarity from HMRC on this point.

In terms of territorial scope, we would also note that the draft legislation covers devolved taxes as defined by section 80a of the Scotland Act 1998.³ This does not include LBTT, as introduced by the Land and Buildings Transaction Tax (Scotland) Act 2013.⁴

³ [Section 5\(5\)](#)

⁴ [Land and Buildings Transaction Tax \(Scotland\) Act 2013](#)



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