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The age factor – tax problems experienced by older people

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Age features in many tax research studies as an impacting factor on people's tax-paying behaviour, but it is also increasingly becoming a complicating factor in practical tax affairs as populations age and more people work into 'retirement' periods. A recent CIOT-funded academic study has explored the details of such issues to help us more fully understand the range of headaches that our tax system creates for older people, and make practical suggestions for where these could be alleviated.

A Tax Adviser article last year ('Distressing tax', April 2016) reported on the findings of a 2015 scoping study (also funded by the CIOT) exploring older people's tax problems. This further, much more in-depth, study was carried out over 2016/17 (the full report can be found on the CIOT website).

As with the scoping study, this more detailed study examined the case files of the tax charity, Tax Volunteers, which runs Tax Help for Older People services (Tax Help hereafter). Tax Help was established in 2004 in response to an initiative of the Low Incomes Tax Reform Group (LITRG), a committee of the CIOT, its remit is to provide accessible tax help and advice for older, more vulnerable and unrepresented people on low or modest incomes, in the absence of any real action on the part of HM Revenue & Customs (HMRC) to address the problems highlighted in earlier LITRG reports. The charity is currently based at Salway Ash, near Bridport, in Dorset. To qualify for assistance, individuals will usually have income of less than £20,000 per annum and be aged over 55.

To read the full briefing paper, please visit the Tax Advisor Magazine website.