

# Mandatory registration of tax advisers

## Impact for legal firms.

HMRC has now published its first tranche of guidance on the forthcoming mandatory registration regime for tax advisers. The new rules, coming into effect from 18 May 2026, represent a significant regulatory change for any legal firm that interacts with HMRC on behalf of clients. This article summarises the latest guidance and highlights practical steps for law firms.

### Overview of the new registration requirement

HMRC is introducing a mandatory registration system for all “tax advisers” who interact with HMRC on behalf of clients. From 18 May 2026, advisers must register via a new online system connected to HMRC’s Agent Services Account (ASA).

The aim of the legislation is to raise standards in the tax advice market.

### Who must register?

HMRC defines a “tax adviser” very broadly and anyone who is interacting with HMRC regarding someone else’s tax affairs and receives payment for doing so is likely to be caught.

Interactions include phone calls, email, post, online messages via GOV.UK or the HMRC app, or submitting any return, claim, or document.

### Implications for legal firms

Legal firms are likely to be in scope where their work involves:

- Conveyancing matters involving tax filings such as SDLT returns;
- Probate or trusts work involving HMRC correspondence; and/or
- Corporate or commercial transactions requiring HMRC submissions.

HMRC guidance confirms that the obligation to register rests with the legal entity, not individual employees, although some individuals will need to be identified as “relevant individuals” (see later for further details).

### Registration timeline

The registration timetable is phased as follows:

- **From 18 May 2026** – Registration opens. Initial registration is required for those who do not have either an ASA or a self-assessment (SA) or corporation tax (CT) online account. Most legal firms are likely to fall into this first wave of registration.
- **From 18 August 2026** – Existing agents with SA or CT accounts (but no ASA).
- **From 18 November 2026** – Agents providing only third-party payroll services.

Agents who already hold an ASA do not need to re-register, but HMRC will contact them for additional information to verify compliance.

HMRC will allow a three-month window beginning from the relevant date above to register, during which firms may continue interacting with HMRC. Most legal firms, therefore, will need to be registered before 18 August 2026. Other firms that have a later registration deadline, can choose to register early if they so wish.

### Registration timeline

As mentioned above, the obligation to register will lie with the law firm (as the “tax adviser”) and not the individuals providing tax advice, however, information will need to be provided for certain “relevant individuals” as part of the registration application.

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## Reistration timeline

A relevant individual includes:

- Officers of the business including partners, directors and members of LLPs; and
- Employees who exercise control or significant influence over the firm's tax related work or perform activities that fall within the definition of a tax adviser's functions.

The number of relevant individuals to be included on the registration application depends on the size of the firm, albeit there is no cap on the maximum number of relevant individuals for larger firms, as follows:

- **Firms with five or fewer officers** - all officers must be listed on the registration, along with any employee meeting the "relevant individual" test.
- **Firms with six or more officers** - any officers and employees who meet the definition of relevant individual above but, if this results in fewer than five officers, further officers must be added until at least five are listed.

This remains a contentious area, with professional bodies noting ambiguities in HMRC's descriptions.

## Conditions for registration

To be able to register, **the firm and each of the relevant individuals** must not have any outstanding tax liabilities or returns, not be subject to an anti-avoidance measure, not be under HMRC sanctions or suspensions, nor have any criminal convictions. The firm must also provide evidence that they are supervised for anti-money laundering and the individuals must not be disqualified from acting as a director, in the UK or overseas.

## Penalties for non-compliance

There are both financial and operational penalties for non-compliance which could severely impact a firm that does not meet the registration conditions or does not comply including:

- Immediate suspension from interacting with HMRC.
- Financial penalties starting at £5,000 (which can be levied on both the legal firm and the relevant individuals).
- Requirement for sanctioned advisers to inform their clients.

## Key issues and unresolved points

The guidance published in February still leaves a number of uncertainties and unanswered questions including:

- It appears that all "tax advisers" as defined by HMRC will be required to apply for an ASA, even if they act as an agent for a HMRC service that does not currently require one (e.g. SDLT returns).
- The ICAEW notes that HMRC's guidance is unclear on how to determine whether a person counts as an "officer" or relevant individual for registration purposes.
- It remains uncertain whether registration applies at entity or group level and whether family offices are required to register.

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## Practical next steps for legal firms

To prepare for the new regime, firms should:

1. **Assess whether the firm interacts with HMRC for clients** – map out all practice areas where HMRC contact could occur (conveyancing, probate, corporate, litigation etc.).
2. **Confirm whether the firm already has an Agent Services Account** – only one ASA can be set up per firm. If the firm does have an ASA already, ensure contact details are up to date ahead of HMRC's requests for verification.
3. **Identify relevant individuals** – Begin reviewing officer roles, governance structures, and employee responsibilities to determine relevant individuals.
4. **Review registration conditions** – Confirm that the firm and individuals are not likely to have any barriers with regards to meeting the registration conditions
5. **Establish record keeping processes** – As annual confirmation is expected, the registration conditions will need to be monitored, along with any changes in relevant individuals.

Most legal firms are likely to be brought into scope of the new rules, given the broad application for the interaction with HMRC. With several areas still awaiting clarity, it is hoped that HMRC will issue further guidance in advance of the registration window opening on 18 May 2026, along with further information on the registration process.

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