



BASDA Annual Summit 2026 – Shaping Software Standards Session

Pre-reading

In March 2026, HMRC [published](#) a plan shaped through broad, early engagement with software providers and other stakeholders, including BASDA, that set out the proposed direction of travel for strengthening software standards to the benefit of all stakeholders.

This publication set out the five themes, identified with industry, where HMRC will look to strengthen standards. The themes set out below are intended to guide discussion and engagement. They will be refined through co-design with industry to ensure the final standards are clear, proportionate and deliverable across a diverse software market.

During the ‘Shaping Software Standards’ session, there will be two breakout discussions – with a feedback session following each one, the first focusing on making the standards implementable, and the second focusing on monitoring and enforcement. We recognise that strengthening standards involves practical trade-offs, for example between usability, cost, resilience and pace of change, which is why industry input is critical.

During the first breakout discussion we will be asking you to focus upon one of the five themes and ask you to consider:

1. What does ‘good enough’ look like in practice under the theme?
2. What does ‘bad’ look like under the theme?
3. What should HMRC consider when designing, delivering and transitioning to strengthened standards under this theme to make them workable?

Please note that you will be assigned your own table and theme – we are sharing all the themes in advance for completeness and to aid in discussions – do please familiarise yourselves with these in advance of the BASDA summit.

During the second breakout discussion, we will be asking you to focus on the same theme as in the first breakout discussion, and asked to consider:

1. What principles should guide how HMRC monitors and responds when standards are not met?
2. What does proportionate enforcement look like in a diverse software market?
3. What support or guidance would help software providers meet the standards before enforcement action is considered?

HMRC’s published plan for strengthening standards is clear that this work does not introduce new enforceable requirements at this stage, and that approaches to monitoring and enforcement will be developed collaboratively, proportionately and in line with HMRC’s wider approach to intermediaries.

Outputs from the session will inform HMRC’s approach to co-designing the standards with industry and ensure the transition, monitoring and enforcement of standards are clear and proportionate.



Theme 1: Product integrity

Future standards will place greater emphasis on pre-deployment assurance, including ensuring that software which performs tax or customs calculations is demonstrably accurate. The areas this theme will explore include:

- testing against current legislation and customer specific inputs
- reducing the risk of incorrect outputs that could lead to non-compliance, penalties or customer harm
- designing and testing to support operational resilience, including appropriate redundancy and fallback arrangements

This reflects HMRC's commitment to deliver high quality, resilient and reliable products that prevent avoidable errors at source, rather than relying on downstream correction after inaccuracies have affected customers. It recognises that accuracy depends on user inputs, as well as software products that are designed to support accurate and timely calculations and submissions.

Theme 2: Supporting correct outcomes

Future standards will actively support compliant behaviour and reduce user error, particularly in areas of complexity, frequent legislative change or higher compliance risk. The areas this theme will explore include:

- in product prompts, such as HMRC Assist submission feedback or warnings, that guide users at the point of data entry
- alignment with HMRC data driven insights, legislation and case law
- design approaches that reduce cognitive burden and misinterpretation

This reflects HMRC's commitment to support seamless tax and customs administration and focuses on how software influences real-world behaviour and compliance outcomes, not solely on how it transmits data to HMRC systems. It also links to HMRC's commitment to improve customer journeys by providing targeted support.

Theme 3: Data accountability

Future standards will support effective compliance activity through improved data availability and traceability. The areas this theme will explore include:

- retention of appropriate transactional level data in line with legal and HMRC defined requirements
- the ability to provide HMRC with access to relevant data where required for audit or compliance purposes
- maintenance of clear audit trails of user actions and system events

This reflects HMRC's commitment to reflect diverse user needs and supports HMRC's ability to investigate both errors and deliberate noncompliance in an increasingly digital environment.



Theme 4: Error management

Future standards will encourage earlier identification and resolution of tax or customs related errors within software products. The areas this theme will explore include:

- mechanisms for detecting errors that affect compliance outcomes
- timely reporting of significant issues to HMRC, including system outages or service issues
- promptly remediating errors to minimise customer harm and reduce the tax gap

This reflects HMRC's commitment to responding effectively to technological change and customer need. It focusses on error reduction and shared responsibility across the tax ecosystem.

Theme 5: Misuse and fraud prevention

Future standards will address risks associated with software being used to enable or scale non-compliant behaviour. The areas this theme will explore include:

- identifying misuse
- design features that reduce opportunities for large-scale abuse
- supporting HMRC's wider efforts to tackle organised and persistent non-compliance

This reflects HMRC's commitment to operating through strong collaboration and mutual trust. It focuses on scalable risks, that arise from how software is designed and used, which HMRC will work with the software industry to address.

Both BASDA & HMRC are excited to be working with you at the summit on this development and thank you, in advance, for your support in doing so.