

SDLT services compared: responsibility, risk, and structure

SDLT services often look comparable at first glance, yet their structure and impact can be very different. The key difference is responsibility, specifically who HMRC treats as the tax adviser.

Many SDLT services provide calculations or guidance but stop short of submission. In those cases, the solicitor remains responsible for filing the return and must register as a tax adviser with HMRC. Even where this is acknowledged, the obligation and risk stay with the firm.

Our service is structured differently. We take responsibility for both the SDLT position and the submission. As a result, the solicitor is not acting as the tax adviser for SDLT purposes and does not need to register with HMRC.

This is not a technical nuance. It is a structural distinction that directly affects compliance, regulatory exposure, and where risk sits if HMRC raise questions.

The comparison that follows focuses on how services operate in practice, not how they are described.

How our solutions compare

	Concierge	Other Services
Overall Scope	End to end SDLT assessment, calculation and HMRC submission	Calculation or guidance only
Tax Adviser Registration	Law firm does not need to register as a tax adviser for SDLT	Law firm remains the tax adviser and must register
Role Recognised by HMRC	Single clear tax adviser responsible for the SDLT position	Responsibility split between provider and the law firm
HMRC Submission	Submission by Compass	Submission by law firm
Responsibility for Accuracy	Clear ownership of the SDLT position taken	Responsibility ultimately remains with the firm
Position in HMRC enquiries	Submitting adviser supports the position taken	Solicitor defends a position they did not originate
Indemnity	Explicit indemnity supporting the SDLT position	Protection is restricted and may not extend to the full SDLT position

HMRC Protection Self-Assessment Checklist

This checklist is intended to help law firms compare outsourced SDLT support services and assess whether they provide meaningful protection, not just calculation. It is built around the standards applied by Compass and focuses on risk identification, auditability, escalation, and HMRC enquiry readiness, the areas that matter most when assumptions are tested after completion.

Risk Identification

- Does the service actively look for SDLT risks rather than relying on assumptions?
- Are unusual property features and transaction structures specifically tested?
- Does it surface issues the fee earner may not think to ask?

Questioning & Data Capture

- Are questions dynamic and tailored to the transaction?
- Is the purchaser required to formally declare the information provided?
- Is there a clear record of what was asked and why?

Reliefs & Accuracy

- Does the service test eligibility for all relevant reliefs?
- Can it explain why a relief does or does not apply?
- Is overpayment risk treated as seriously as underpayment risk?

Audit Trail & Evidence

- Is there a clear, retrievable audit trail for each conclusion?
- Could the firm confidently show HMRC how the figure was reached?
- Does the audit trail stand up without relying on staff memory?

Escalation & Expertise

- Are high-risk matters clearly identified?
- Is there access to genuine SDLT expertise when required?
- Is escalation selective rather than blanket or absent?

Indemnity & Liability

- Is there an explicit indemnity covering the SDLT calculation?
- Is it clear where liability sits if HMRC challenges the return?
- Does this reduce reliance on the firm's own PI policy?

HMRC Enquiry Readiness

- Is the service designed with HMRC enquiries in mind?
- Would the firm feel comfortable defending the position taken?
- Are responses to HMRC queries supported by documented reasoning?

Consistency & Compliance

- Is the same standard applied across all fee earners and offices?
- Does it support COS audits and compliance reviews?
- Does it reduce variation caused by experience or time pressure?