

## Why Take Action?

**1** HM Revenue & Customs (HMRC) enquiries can be random and can come at any time.

**2** Enquiries are on the increase as HMRC look to generate more tax to fund the enormous spend through the Covid-19 pandemic.

**3** HMRC are using enquiries to ensure that the measures put in place to support the economy through the Covid-19 pandemic have been utilised correctly.

**4** If you are subject to an enquiry we will represent you and our expertise will help save time and money in the long run.

**5** Our normal accountancy fees do not include the cost of dealing with enquiries which can be costly and complex, even if no additional tax becomes due.

**6** Our Tax Fee Protection protects against costs incurred dealing with HMRC enquiries.

### When HMRC comes knocking...

Case of mistaken identity, a husband & wife partnership selling and installing double glazing was investigated by HMRC. At a meeting, HMRC alleged the husband had been dishonest. By the end of a long and detailed enquiry, HMRC repaid £129 of tax to the partnership and apologised, confirming that the allegation of dishonesty was a case of mistaken identity. Accountancy fees were approximately £5,000 and were paid in full by Vantage Fee Protect.

## Tax Fee Protection

# We're here to protect you...

## ... against the cost of an HMRC enquiry



## The problem

- ✓ In the UK we live in an environment whereby the taxpayer is responsible for assessing their own tax liability.
- ✓ HMRC opens enquiries to see if the taxpayer has paid the right amount of tax.
- ✓ HMRC now uses a sophisticated database called 'Connect' to start more than 80% of tax enquiries, which analyses data from 30 different data sources.
- ✓ HMRC can consider all aspects of taxation and more recently have also used enquiries to ensure that the measures put in place to support the economy through the Covid-19 pandemic have been utilised correctly.
- ✓ HMRC are under pressure to open more enquiries than ever before to generate tax to fund the enormous spend in respect of Covid-19 and the energy price freeze.

## What could an enquiry involve?

- ✓ HMRC will write to you or visit your business premises.
- ✓ They will potentially want to review all your books and records or will ask for more detailed information about specific transactions on your Tax Return.
- ✓ At the end of the enquiry HMRC may look to raise an assessment for additional tax due.
- ✓ If you are subject to an enquiry, we will respond to HMRC's requests for information and/or attend meetings with HMRC. We will provide our workings with detailed explanations, and we can dispute any assessment for additional tax due.

## The solution

We provide a protection to clients under which, in the event of an HMRC enquiry or inspection:

- ✓ You will receive the best possible defence.
- ✓ You will not be charged for most professional costs incurred in your defence.
- ✓ You will not have to concede to HMRC's demands because of financial pressures.

The protection gives you the comfort of knowing that we can fully defend you at no extra cost if you fall under HMRC's spotlight.

## Other benefits of the protection

As an additional benefit this protection provides complementary telephone access to business support advice lines from which advice can be obtained on:

- ✓ **Employment Law** – you can call regarding performance and absence management, TUPE, redundancies, calculating holiday entitlements, grievances, disciplinary processes and more.
- ✓ **Health & Safety Matters** – advice on risk assessments, fire safety, first aid, RIDDOR and more.
- ✓ **General Legal Issues** – advice on any UK personal or commercial legal issues.

This advice service can be very valuable, particularly to many business clients, and is available to all subscribers to this protection who need it.