

## Reasons to act now.

- 1 HMRC is determined to deliver more money from compliance activity. It is under intense pressure from both the government and MPs of all parties to pursue all tax which is due under law.
- 2 Over 22bn lines of data are already held by HMRC. That figure is likely to increase rapidly now that tax authorities around the world are starting to share information under the Common Reporting Standard.
- 3 Last year, in excess of 80,000 reports were made to the Tax Evasion Hotline and the number of referrals to HMRC from mortgage lenders broke the 10,000 barrier for the first time. These reports and referrals form part of HMRC's risk assessment process.
- 4 HMRC can now access all credit and debit card payments to find out the number and value of transactions completed by a specific trader. For example, if a cash based business has declared a turnover of £80,000, with card transactions amounting to £75,000, HMRC will want to know whether £5,000 of cash is an accurate record.
- 5 £3.5bn was generated during the last financial year from HMRC pursuing the 45m people in the tax system who have an income below £150,000 and assets below £1m in the UK. £900m was secured from the UK's 8,500 wealthiest individuals alone.

**Don't gamble with the taxman.**

## Round-the-clock legal support.



When you subscribe to our tax investigations package, you'll have access to a team of qualified solicitors and barristers for employment law, health and safety matters and commercial issues.

A legal expert is only a phone call away and, most importantly, the advice is:

- **Free with unlimited calls**
- **In plain English**
- **Open 24/7, 365 days a year**

**Don't put your business at risk** – the law changes constantly and the helpline ensures that you have the right support when you need it most.

### **BWM Chartered Accountants**

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# Don't gamble with the taxman.

## Tax investigation protection



## Protect yourself today.

**Our tax investigations package will meet the unwanted and unexpected professional fees to defend your position in the event HMRC starts a compliance check.**

A check can be much more than just querying a single aspect of your tax return. It could be a review of the whole return and all the records. That might include VAT and PAYE records or even involve an inspection by a team of HMRC officers.

HMRC generated a record

**£28.9bn** during the last financial year from challenging accounts, tax returns and business records. It is not unusual for in-depth tax enquiries to last for well over a year and run up fees of thousands of pounds.

Once an enquiry has successfully concluded no additional tax may be due, but if you don't subscribe to our tax investigations package you would still have your professional fees to pay.

Our service means you don't have to worry about these costs while we ensure you get the best defence.

## Could this be you?

**You might be chosen for an enquiry due to the nature of your business, where you live, the property you rent out or perhaps because HMRC has decided to target your particular profession.**

HMRC has a computer called Connect which stores all of the information the taxman collects on businesses and people. Specialist analytical experts then trawl through all the data to identify potential risks.

However, a proportion of enquiry cases are selected completely at random.



A farming partnership was subject to an aspect enquiry. It only lasted six months, however, it still cost £10,000 in fees despite the return being 100% accurate.

HMRC opened an enquiry into a private client's residency status that lasted almost two years. Even though the enquiry was closed with no adjustments, professional fees still amounted to £40,000.



A property company was selected for an Employer Compliance Review. The case was resolved with no additional tax to pay. Professional fees came to £4,500.

For a small annual fee you or your business can be protected from the professional fees associated with a compliance check.

## How we can help.

**If you subscribe to our tax investigations package, we can help from the moment the enquiry letter arrives.**

It will protect you from the fees and allow us to:

- check HMRC is entitled to investigate the tax return selected and challenge them if not
- ensure the tax inspector only asks for relevant information and documents
- respond to telephone calls, emails, letters, compliance fact sheets and notices issued by HMRC
- provide supporting information from our files relating to when your accounts were drawn up
- prepare for and attend face to face meetings with the tax inspector
- argue any complex or technical tax cases raised during the enquiry
- handle any settlement negotiations all the way through to a successful conclusion

**We recommend that all our clients subscribe to this service as the cost for tax investigation protection is a fraction of the typical defence costs.**