

TAX ENQUIRY SERVICE

PROTECT YOURSELF AND YOUR BUSINESS AGAINST THE COST OF A TAX ENQUIRY

Under self-assessment, HMRC has the power to open an enquiry into any tax return or set of business accounts. No reasons have to be given for opening enquiries and many thousands are started every year at random.

On top of those risks, are the risks from VAT disputes and PAYE disputes including employment status and IR35.

More recently, new risks are from

- ‘Interventions’ – HMRCs new powers to inspect records and businesses outside of traditional enquires
- Cross tax enquiries – where HMRC looks at VAT as well as other taxes as a whole
- Surprise visits – HMRC can now visit business premises to review records, with no prior arrangement

Even if you are completely exonerated, the fees to defend such enquiries and reviews can be substantial. The importance of covering yourself against the costs related to such an eventuality has never been as high as it is today.

In conjunction with Qdos Taxwise (a insurer and adviser) we offer a service to cover our fees, which would otherwise be payable by you, as the client; participating clients have cover for up to £75,000 in the event of an HMRC enquiry or dispute – this includes Full & Aspect HMRC enquiries, VAT disputes, PAYE disputes, interventions, employment status disputes and IR35 disputes. As an additional benefit the policy includes unlimited telephone access to Qdos consultants on any matter relating to employment and health & safety law.

The risks covered are:

- Full and aspect tax enquires, with no excess and all professional fees up to £75,000 covered from receipt of opening letters. Criminal prosecutions, and enquiries worked under the HMRC Civil Investigation of Fraud procedures as an alternative to prosecution are not covered – these are rare circumstances and unlikely to affect a typical client of ours (we’ve had two such enquiries across our client base in the last twenty years).

-PAYE & VAT inspections, and interventions. The preparation for, and attendance at, if necessary, a review of your records isn’t covered. Any follow up work with HMRC, regardless of whether there is a dispute or whether HMRC are simply asking for additional explanations or information, is covered, again up to £75,000, again with no excess.

The scheme runs from 1st December annually for a 12 month period, the annual service charge is set out below. The cost, (including VAT) for this period is set out below. To take this up please complete the application form (appended or at www.garbetts.com/download/teiform.pdf)

Premiums

£45	Private clients (turnover / gross business income limit £50k)
£132	Sole traders / partnerships (turnover limit £500k – includes partners personal affairs unless non business income exceeds £15k)
£174	Limited companies / (including PSCs & Contractors) (turnover limit £5m – includes directors personal affairs unless non business income exceeds £15k)

A VAT receipt will be provided once we receive your remittance.

If you are joining after 1 December then these premiums are pro rated as follows:

Join before 28 February	100%	Join before 31 May	75%
Join before 31 August	50%	Join before 30 November	25%

If you have any further questions relating to this scheme, please do not hesitate to contact your normal contact at Garbetts. The service is, of course, not compulsory but should you decide not to take advantage of this, you will be fully liable for all professional fees incurred in defense of any enquiry.

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