

## Tax Investigations Package

# The peace of mind you deserve

### HMRC enquiries

## What are the risks?

**Enquiries are becoming ever more complex which means explaining the intricate and unique tax positions of our clients to HMRC takes more time, incurring more expense as a consequence.**

We want to achieve the best possible outcome without you having to worry about the time and costs involved in defending you to the fullest. Having an expert who understands your business and your tax affairs is key to dealing with HMRC enquiries.

HMRC are using their compliance resources to undertake targeted campaigns and cross-tax enquiries in an attempt to maximise the tax they can recover.

Investigations can be intrusive and obstructive to you and your business. We cannot prevent HMRC from selecting you for enquiry, but we can help to minimise their impact and reduce stress by dealing with HMRC on your behalf.

## Narrowing the tax gap

**In the financial year 2020 to 2021, HMRC generated total tax revenues of £608.8 billion, which remains a significant amount despite the impact of Covid-19 on individuals and businesses.**

A total of £30.4 billion in additional tax was generated by compliance activity in 2020/21; £2.6 billion related to individuals, £3.0 billion from wealthy individuals, and £8.4 billion from small and mid-sized businesses.

Despite much press coverage which suggests otherwise, the largest businesses in the UK produced a return on investment in compliance of £60 for each £1 spent – an additional £13.2 billion in total.\*

With HMRC's continued investment in compliance, ensure you are protected with our comprehensive tax investigations package.

\*www.gov.uk as at 4 November 2021



## How we can protect you

**No-one can prevent an investigation, but our tax investigations package will enable us to:**



**Explain** any complex or technical tax challenges that are raised during the enquiry without any restrictions due to cost



**Challenge** HMRC's assertions and assumptions head on, establish that the basis of any enquiry is correct and make sure your case is handled fairly



**Ensure** the tax inspector is only requesting relevant information and documents, and provide all supporting evidence from our files relating to your return



**Handle** all communication with HMRC, including letters, phone calls or notices issued



**Prepare** for and attend any face-to-face meetings with HMRC



**Ensure** you receive the best defence to protect your tax position

Whether it's a cross-tax enquiry, a technical challenge or a detailed books and records review, our tax investigations package is designed to get you the best possible result and is why we strongly recommend that all our clients subscribe.

**For an annual charge, you can rest assured that you are protected against the professional costs associated with an HMRC enquiry. The cost of not doing so could be an unnecessarily high tax bill.**



## Who's most at risk of a tax investigation?

**Tax investigations can happen to anyone – whether you are an individual or in business – however good your records are. HMRC regularly undertake random enquiries to police the system.**

### **LARGE BUSINESS – CROSS-TAX ENQUIRY**

HMRC undertook a full review of the accounting records of the business and the tax affairs of the owners of a care sector group. All taxes were reviewed and required extensive input from the practice, with HMRC officers spending five days on site. **18 months later, the enquiry closed with a significant tax settlement and accountancy fees met by the tax investigations package and not the client.**

### **HIGH-NET-WORTH INDIVIDUALS**

HMRC sought to check the HNWI individual's domicile status, requesting a great deal of information over a four-year period. The practice was at the client's side throughout and after several years, agreement was reached with HMRC. **Despite having a tax bill, fees of over £75,000 were met by the tax investigations package.**

### **PERSONAL TAX ENQUIRY**

HMRC opened an enquiry into an individual's Capital Gains Tax position, rollover relief and income from property. At the outset, HMRC requested a substantial amount of information. A detailed reply was provided, but HMRC continued to challenge the claim for rollover relief. After further correspondence, the enquiry was closed without any amendment to the return. **The fees incurred for representation in respect of the enquiry totalled £13,000.**

## Expert legal support when you need it most

**What are the current maternity rules?  
How do I make someone redundant?  
My customer hasn't paid me. What can I do?**

When you subscribe to our tax investigations package, you'll also have access to a team of qualified solicitors 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:**

- in plain English
- available 24/7, 365 days a year
- accessible via free, unlimited calls

### **Law Hub**

Law Hub assists with everyday legal issues around employment, health and safety, trading and contracts, cyber and data, debt and insolvency. The Law Hub provides practical DIY templates and guidance around these topics, which saves SMEs business time and money.

#### **Law Hub includes:**

- 750+ DIY contracts, policies, forms and letter templates
- 440+ guides
- 375+ links to key resources

In the current climate, businesses need legal assistance more than ever. Don't put your business at risk – ensure you have access to expert assistance when you need it most.

**Contact us for more information**