

Tax Investigations Fee Protection Service

Helping to reduce the stress, disruption, time and cost involved in an HMRC tax investigation

In the UK, each taxpayer is responsible for their own tax liability.

HM Revenue & Customs (HMRC) are targeted with closing a £32billion tax gap - the difference between the amount of tax due to HMRC and what is actually paid - with small businesses and individuals accounting for well over half of this amount.

To help close this gap, HMRC open investigations on a random or selective basis to see if a taxpayer, like you or your business, has paid the right amount of tax. They use sophisticated software to cross-match a wide range of data sources, and any anomalies can lead to an investigation.

Closing the tax gap

HMRC's latest report suggests that of the tax gap:



comprises individuals (including those classified as high net worth) and small businesses

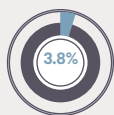
Of the reasons for the tax gap:



relates to error, failure to take reasonable care and interpretation of the legislation which differs from that of HMRC account



relates to evasion



relates to avoidance

These statistics suggest that HMRC's emphasis will be as much on inaccurate reporting and the way in which the law is interpreted when making returns as on those who deliberately seek to avoid or evade tax.

These investigations can be disruptive and intrusive. They can also be a long process, sometimes lasting a year or more, which can potentially lead to spiralling professional costs.

What is the Tax Investigations Fee Protection Service?

Whether or not there is any additional tax to pay on completion of the enquiry, there is always a cost associated with handling an HMRC investigation and the related arguments presented to HMRC on your behalf as the taxpayer.

At Blick Rothenberg, we offer a Tax Investigations Fee Protection Service. By joining this service, our costs will be met in the event of an investigation, subject to any limits due to the type or nature of the enquiry, helping to shield you from the stress and uncertainty brought about by an HMRC enquiry.

Who is eligible for the service?

Provided that you as a taxpayer do not have an open enquiry with HMRC and that Blick Rothenberg are engaged to provide compliance services then you should be eligible to subscribe to the service. There are some exclusions for eligibility so if you are not certain as to whether you would be eligible, please get in touch and we can let you know.

Please see our [inclusions and exclusions overview document](#) for more details.

How does the service work?

When you are targeted for investigation by HMRC, we will assist you every step of the way, leaving you to do what you do best. In order to achieve a swift resolution, early professional representation is an essential part of dealing with an enquiry.

Our service includes:

- representation from us in the event of an HMRC investigation
- up to £100,000 of professional fees covered (unless otherwise indicated) under this service with no excess
- peace of mind that the team who already know you and look after your taxation matters will work with our Tax Investigations experts to deal with HMRC on your behalf, without the stress of potentially spiralling additional fees from protracted investigations.

If you are in business, our service also includes a furlough support package. This includes representation from us in the event of an HMRC investigation relating to claims made via:

- the Coronavirus Job Retention Scheme and/or
- the Self-Employed Income Support Scheme.



Would you like to know more?

If you would like to join this service, or to request further information, please get in touch with your usual Blick Rothenberg contact or email us at tifps@blickrothenberg.com

5 reasons why you should act now



1. Tax investigations can happen to anyone. Whether you are an individual or in business, you can be targeted at random.



2. HMRC already have access to data from banks and building societies, property-based information, land registry, letting agents, mortgage applications, DVLA, foreign data from overseas tax authorities and the tax evasion hotline, and they continue to expand their data sources. Even if your affairs are in order, HMRC can open an enquiry.



3. If your business furloughed staff, you may still be more likely to have an HMRC investigation than a business that has not claimed under the Coronavirus Job Retention Scheme. It is well publicised that the Government is focused on identifying misuse of this scheme. HMRC have received over 30,000 reports of misuse and have issued thousands of enquiry letters checking that furlough claims have been made correctly. The suggestion is that this is just the tip of the iceberg.



4. HMRC are now more focused on ensuring taxpayers keep up-to-date with their filing and tax compliance requirements, for example, filing Capital Gains Tax returns within 60 days of the sale of a property, which gives HMRC increased opportunities to seek to check a taxpayer's affairs.



5. We know and understand your business, and, together with our Tax Investigations experts, we can provide you with the best possible representation to HMRC, while reducing the stress, anxiety, disruption and cost of being under investigation.



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