

# Protecting you from an HMRC enquiry.

frenchduncan.  
The people for you.

## Tax investigation protection



HMRC enquiry activity is more focused and better targeted than ever before. Investigations are intrusive, costly and time consuming. In 2018-19 HMRC collected **£34.1 billion** through compliance activity.

### Ensure you are protected.

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.

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.

## Anyone can be investigated.

**Due to the increased focus in 2017 HMRC introduced its Connect System, designed to identify those who may have paid too little tax. It is now responsible for selecting 9 out of every 10 enquiries. Even if you've done nothing wrong, anyone can be selected – meaning no one is immune to scrutiny.**

No business is too small or too large for HMRC to challenge; those targeted include cash businesses, tradespeople, farmers, medical professionals, solicitors and individuals.



HMRC selected a large restaurant chain for an unannounced visit and subsequent VAT enquiry. After 2 years, HMRC raised a best judgement assessment of c. £100k.

**The practice pursued matters through Alternative Dispute Resolution resulting in costs of £15,000. The enquiry concluded with no additional tax liabilities.**



HMRC opened a full enquiry into a self-employed caterer. The Inspector requested all of the books and records at the outset and subsequently made further enquiries about the expenses claimed. The practice managed

to close the enquiry via correspondence alone, with no adjustments required to the return.

**Yet fees still amounted to £2,000.**

\*All claims concluded across 2017/18.

## Where we come in.

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

No one can prevent an investigation, but our tax investigations package:

- Will remove your concerns about the cost of an enquiry
- Ensure you receive the best defence so that your tax position is protected
- Enable us to challenge HMRC's assertions and assumptions head on
- Ensure that the basis of any enquiry is correct and that your case is handled fairly
- Handle all communications with HMRC, including letters, phone calls or notices issued
- Ensure the tax inspector is only asking for relevant information and documents and provide all supporting information from our files that relates to your accounts
- Prepare for and attend any face-to-face meetings with the tax inspector
- Argue any complex or technical tax cases that are raised during the enquiry

So whether it's a PAYE or VAT visit, a technical enquiry or full blown books and records enquiry, our tax investigations service is designed to get you the best result. **That's why we strongly recommend that all our clients subscribe.**

## Reasons to act now.

- 1** HMRC's enquiry activity shows no signs of abating. There are many more trained investigation specialists and HMRC has greater access to technology than ever before.
- 2** The focus has changed with HMRC determined to maximise revenues due.
- 3** Tax investigations can happen to anyone, at random, whether you are an individual or in business.
- 4** HMRC have access to data from merchant acquirers, banks and building societies, property-based information, land registry, letting agents, mortgage applications, DVLA, foreign data from overseas tax authorities, the tax evasion hotline – and they continue to expand their data sources. Even if you have done nothing wrong, you can be selected.
- 5** HMRC are now becoming more focused on ensuring taxpayers remain compliant in-year; this increases the risk of enquiry.
- 6** We can't take away the stress and anxiety of being under investigation, but we can remove the cost, and work to achieve the best outcome for you.

**You don't have to battle HMRC alone.**