

Why does HMRC investigate?

The government needs to fill a black hole in the public finances via the tax system. HMRC investigates to check if people are paying the correct amount of tax.

Beware “Connect”!

More than 80% of tax enquiries are now started using sophisticated technology called “Connect”. This collects data from around 30 different sources, including UK and offshore banks, Companies House, the Land Registry, estate agents, the DVLA and other licensing authorities, and social media.

The data can be instantaneously reviewed by more than 3,000 HMRC investigators to produce a financial fingerprint for any taxpayer. Any differences between the information held and tax returns or business accounts sent to HMRC will lead to a tax enquiry, as sure as night follows day. Such tax enquiries have produced billions of pounds in additional tax over the last few years.

Using ‘Connect’, HMRC can now target enquiries more accurately than ever before – but they still get it wrong sometimes. That’s why we will always challenge HMRC regarding their reasons for an enquiry when defending clients.

“HMRC is continually finding new ways to target taxpayers using clever techniques. We stay up to date with the latest advances, but you are still at risk of being investigated at any time. If you take out Tax Fee Protection Insurance, our fees will be one less thing for you to worry about in a tax enquiry. We can defend you as long as it takes to achieve the right result.”

Terry Holmes, Facts & Figures

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It's time to take action...

Protect yourself against the cost of an HMRC enquiry



The problem

HM Revenue & Customs (HMRC) is giving individuals and businesses a harder time by:

- ✓ Carrying out more tax enquiries and compliance checks
- ✓ Selecting taxpayers for investigation at random or for no good reason
- ✓ Using wider powers to visit homes and businesses
- ✓ Charging extra tax, interest and penalties
- ✓ Allowing less time to pay any tax due

Anyone who pays tax can suffer an enquiry or compliance check by HMRC. If this happens to you:

- ✓ You will have to prove that HMRC's suspicions are unfounded
- ✓ HMRC's detailed and intrusive questions will take time to answer
- ✓ A lot of work will have to be done to respond to the questions asked
- ✓ The enquiries can drag on for months and sometimes years
- ✓ Professional fees of hundreds or thousands of pounds may become due as a result

The solution

To protect against such unexpected costs, we have a Tax Fee Protection Insurance scheme. In the event of an HMRC enquiry or inspection, this ensures that:

- ✓ You will receive the best possible defence
- ✓ You will not be charged for most professional costs incurred in your defence
- ✓ You will not have to concede to HMRC's demands because of financial pressures

By taking out the cover, you will have the comfort of knowing that we can fully defend you at no extra cost if you fall under HMRC's spotlight. Please note that any clients not taking advantage of the insurance will be charged for any additional costs arising.

Other benefits of the cover

As an additional benefit, complimentary expert telephone advice can be obtained on:

- ✓ Employment law
- ✓ Health & safety matters
- ✓ General legal issues

The advice can be very valuable, particularly to many business clients, and is available to all clients covered by the scheme who need it.

How can I get protection?

You can visit factsandfigures.qdosconsulting.com and purchase cover for the client category that applies to you. These are: VAT-registered limited company or partnership; VAT-registered sole trader; non VAT registered business; private tax client (individual); or private tax client (couple). If you are not sure of the correct category or need any guidance on purchasing cover, please contact Qdos on **0116 274 9123** or your usual contact at Facts & Figures for guidance.

The insurance will cover you for 12 months. Towards the end of that period, you will be asked if you wish to extend your Tax Fee Protection Insurance cover.