

# Will you be next?

A property developer was subjected to a Corporation Tax Full Enquiry which lasted over two years. The Inspector queried matters relating to an associated company, hospitality costs and several loans. Professional costs of over £13,400 were incurred to conclude the enquiry.



An engineering company was selected for a full scale investigation. The Inspector suspected understated sales and also took the opportunity to review the PAYE procedures. Professional costs of over £5,300 were incurred to handle the various meetings and correspondence and the case took over a year to settle.



A hotelier had his personal bank account scrutinised as his hotel was subject to investigation and HMRC wanted to check the source of capital introduced to the business. Motor expenses were also reviewed. The enquiry cost £6,600 to conclude.



## Don't take the risk with Tax Investigations

The Government has given HMRC £917 million to tackle the 'tax gap' and raise additional revenue of £7 billion in the coming years.

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HMRC has redeployed over 2,500 officers into compliance to conduct more tax investigations.

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Typical tax enquiries require 12 months of professional representation and cost upwards of £3,000.



Your business **lifeline** for Tax Investigations...

# Defend yourself against Tax Investigations today

When the Coalition Government came into power, it announced that HM Revenue & Customs (HMRC) could divert £917 million from efficiency savings into tackling tax evasion.

In return for deploying the extra resources into compliance, HMRC were committed to collect an extra £2 billion in tax by April 2012 rising to £7 billion a year by 2014/15.

This has resulted in a staggering increase in the number of investigations conducted by HMRC.

Although many businesses choose to believe they are not at risk, leading tax investigation specialists, Abbey Tax Protection, have seen a 40% increase in the number of claims made by businesses being investigated.

Tax Inspectors have become far more aggressive in their pursuit of the additional tax, supported by a more draconian penalty regime, when errors are identified.

One of the features of current HMRC compliance activity is the Task Forces initiative under which particular trades

are subjected to scrutiny by a multi-disciplined team. This can potentially involve the business premises being visited to examine the records and talk to staff members.

During 2011/12, HMRC Task Forces attacked 12 different trades and collected an additional £50 million in unpaid tax from numerous businesses within these trades. In 2012/13, HMRC intends to initiate 30 Task Forces into a wide range of business sectors across all regions of the UK.

## Innocent until proven guilty is not a principle HMRC practices

Undergoing a tax enquiry is extremely stressful, especially when confronted with a team of HMRC officers from across Tax, VAT and PAYE. It is essential to have experienced professional representation, to avoid stumbling into a minefield of technical complexity.

Even if HMRC finds your tax affairs are in order, you could be left with a hefty bill to cover your professional costs, despite proving your innocence. The most routine of tax enquiries can cost upwards of £3,000.

Sadly, many businesses are forced to accept HMRC's demands as they cannot afford to continue with their defence.

To ensure you are not a victim of unreasonable demands, and that you can benefit from expert advice without the worry of expensive fees, you can subscribe to our Tax Investigations Package.

For the small annual fee, the package enables us to:

- Provide you with full professional representation in the event of a Tax or VAT enquiry
- Handle the Tax Authorities on your behalf
- Deal with all correspondence and meetings with the Tax Inspector
- Negotiate the best possible result for you

Subscribe to our Tax Investigation Service today...

