

**TAX  
ENQUIRY FEE  
PROTECTION  
SERVICE**

RELAX AND  
TAKE AWAY  
THE WORRY  
OF AN  
HMRC ENQUIRY

THE COVER  
THIS SERVICE  
OFFERS COULD  
BE AN  
INVALUABLE  
ASSET

**M** Marsland  
**N** Nash  
**A** Associates

*"Initiating change rather  
than reacting to events"*

**Chartered Tax Advisers  
Accountants & Business Consultants**

PLEASE RETURN  
THE FORM AT  
THE BACK IN  
ALL CASES!

PLEASE READ THIS  
BROCHURE AND  
THEN COMPLETE,  
TEAR OUT AND  
RETURN THE 'FEES  
PROTECTION SERVICE  
REQUEST' FORM

WE REQUIRE  
CONFIRMATION IN  
ALL CASES PLEASE  
THANK YOU!

The information in the brochure is correct at time of going to press November 2016

Please call us on **01626 334 989** if you have any queries

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## BACKGROUND

### WHY DO I NEED THE FEE PROTECTION SERVICE?

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HMRC CAN ENQUIRE INTO THE ACCOUNTS, BUSINESS AFFAIRS, TAX RETURNS, SAVINGS AND LIFESTYLE OF ANYONE WITHOUT GIVING ANY REASON WHATSOEVER

HMRC ARE ESTABLISHING MANY SPECIFIC INDUSTRY TASKFORCES

ENQUIRIES ARE A KEY TOOL FOR HMRC TO REDUCE THE HUGE 'TAX GAP' BETWEEN TAXES RECEIVED AGAINST WHAT IS DUE

HMRC IS TARGETED TO INCREASE TAX REVENUES

IF YOU ARE CHOSEN FOR INVESTIGATION, IT COULD REQUIRE US TO SPEND A LOT OF TIME DEALING WITH IT FOR YOU, AND COULD **COST MANY THOUSANDS OF POUNDS IN FEES** TO DEAL WITH

HMRC ENQUIRIES ARE AT RECORD LEVELS. IN 2009 HMRC'S POWERS INCREASED SIGNIFICANTLY, AND THE INFORMATION THEY CAN REQUEST UNDER 'SCHEDULE 36' IS MORE FAR REACHING THAN EVER

OUR SERVICE OFFERS PEACE OF MIND

ALL TAX RETURNS ARE PROFILED VIA THE £50M HMRC CONNECT DATABASE

JUST AS YOU TAKE OUT CONTENTS INSURANCE TO PROTECT YOUR HOME OR BUSINESS, OUR TAX ENQUIRY FEE PROTECTION SERVICE COVERS YOU FOR OUR FEES WHEN DEALING WITH AN HMRC ENQUIRY

WE WILL ASSIST YOU FULLY TO ANSWER HMRC'S QUESTIONS AND TO SHOW YOU ARE PAYING THE CORRECT AMOUNT OF TAX. THIS REQUIRES OUR EXPERTISE AND TIME, AND SUCH COSTS ARE NOT INCLUDED IN YOUR ANNUAL FEES

ENQUIRIES CAN BE COMPLETELY RANDOM

# THE COVER

## WHAT DO I GET IN SIMPLE TERMS?

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### Introduction

No nonsense policy allowing MNA to defend you and deal with all enquiry correspondence from HMRC, as well as attending any meetings with HMRC.

All our costs will be covered under the service.

Complete peace of mind, with no claims forms to fill in.

No 'Honesty Clause'. Uniquely, claims are not dependant on whether any blame falls on the client, and are not affected by innocent errors and omissions identified by HMRC, late submission of accounts or tax returns while covered, or by the level of penalties imposed. Put simply, if you've got something wrong, you are still covered.

No excesses apply at all if a claim is made.

### Nature of the plan

The plan takes the form of a service we provide to you. Should you take the service and pay the fee note we raise for it, you will then obtain full cover.

In order to minimise the cost, we require confirmation from clients that wish to participate, however there is no obligation on you to participate.

The cost to you is a fully allowable expense for tax purposes, and also attracts VAT at the standard rate.

### Expenses Covered

Our professional fees (including specialist external support if necessary) up to a limit of **£50,000 per claim**.

ANYONE WHO  
PAYS TAX CAN  
COME UNDER  
ENQUIRY

The following are examples of the most common enquiries the service covers (see *'The Cover – The detail, the small print'*, for more detail):

<ul style="list-style-type: none"><li>• Full and Aspect Tax Enquiries</li></ul>	<ul style="list-style-type: none"><li>• VAT Inspections</li></ul>
<ul style="list-style-type: none"><li>• PAYE (Payroll) Inspections</li></ul>	<ul style="list-style-type: none"><li>• Informal Enquiries</li></ul>
<ul style="list-style-type: none"><li>• CIS, Minimum Wage &amp; Status (IR35) Enquiries</li></ul>	<ul style="list-style-type: none"><li>• Information Requests</li></ul>

## Obtaining Protection

You will be protected as soon as you have paid the relevant fee for the service.

The fee will normally be raised at the same time as we bill for your annual accounts and/or tax returns, so the cover can be obtained before anything is submitted to HMRC.

This will give you cover for the period the bill relates to, plus cover for any in year inspections, such as VAT or PAYE inspections, for the period until we next invoice you for your accounts and/or tax returns.

If you are new to the service, in order to obtain protection for any prior years already completed, as well as immediate protection against VAT, PAYE, Information Requests or any other in year enquiries, we offer '**Discounted Immediate Cover**', at only 50% of your full year's protection fee.

Complete, tear out, and return the 'Service Request' form at the back of this brochure to request cover.

## Renewal

No formal renewal is required each year. We will simply bill you as a supplement to our normal charges, once you settle the fee, you are covered.

## Cost

The cost is calculated at **15% of Annual Relevant Accountancy Fees**, subject to a maximum of £295 per annum, plus VAT.

Relevant fees are only Accounts and Tax work, not therefore all our fees (see 'The Cover – The detail, the small print', for more detail).

Charging as a % of fees is completely fair as it relates directly to the complexity of your affairs, rather than flat rates for all irrespective of size.

## Example

Relevant Work	Our Fee £
Sole Trader Accounts for the year ending 30 September 2015	425.00
Personal Tax Return for the 2015/2016 tax year	195.00
Total	620.00
<b>Premium at 15% (subject to VAT)</b>	<b>93.00</b>

Once paid this gives you tax enquiry cover for the accounts and tax return billed, plus cover for in year inspections for the period until the fee for the 2016 accounts, and tax return for 2016/2017, is issued to you.

THESE  
ENQUIRIES CAN  
BE DAUNTING  
& DISRUPTIVE

# THE COVER

## THE DETAIL, THE SMALL PRINT

### What is covered?

Our professional fees and disbursements incurred representing you in the event of an HMRC enquiry, intervention or dispute. This includes specialist external support if necessary, meetings, meeting rooms, our travel and correspondence, up to a limit of £50,000 per claim. The following summarises the events covered:

<ul style="list-style-type: none"> <li>• Corporation Tax Full and Aspect enquiries</li> </ul>	<ul style="list-style-type: none"> <li>• Income Tax Full and Aspect enquiries</li> </ul>
<ul style="list-style-type: none"> <li>• PAYE / NIC Compliance visits, including any disputes arising from the visit</li> </ul>	<ul style="list-style-type: none"> <li>• VAT Compliance Visits and Checks, including any disputes arising from them</li> </ul>
<ul style="list-style-type: none"> <li>• Business Records Checks</li> </ul>	<ul style="list-style-type: none"> <li>• Schedule 36 interventions and inspections (HMRC power to obtain records)</li> </ul>
<ul style="list-style-type: none"> <li>• CIS enquiries</li> </ul>	<ul style="list-style-type: none"> <li>• IR35 and other status enquiries</li> </ul>
<ul style="list-style-type: none"> <li>• National Minimum/Living Wage enquiries</li> </ul>	<ul style="list-style-type: none"> <li>• Inheritance tax (IHT) enquiries <b>NB1</b></li> </ul>
<ul style="list-style-type: none"> <li>• Capital gains tax enquiries</li> </ul>	<ul style="list-style-type: none"> <li>• Gift Aid Claim enquiries <b>NB1</b></li> </ul>
<ul style="list-style-type: none"> <li>• Repayment Claim enquiries</li> </ul>	<ul style="list-style-type: none"> <li>• Informal enquiries commenced by telephone</li> </ul>
<ul style="list-style-type: none"> <li>• S660 settlements enquiries (husband and wife income shifting)</li> </ul>	<ul style="list-style-type: none"> <li>• Rental business investigations (including buy to let)</li> </ul>
<ul style="list-style-type: none"> <li>• Criminal prosecution cover*</li> </ul>	<ul style="list-style-type: none"> <li>• Enquiry or Investigation arising out of a voluntary disclosure made to HMRC as a result of a deliberate act by you</li> </ul>
<ul style="list-style-type: none"> <li>• Special Civil &amp; Criminal Investigations under Code of Practice 8 &amp; 9 (COP 8 &amp; 9)*</li> </ul>	<ul style="list-style-type: none"> <li>• Cover even where Accounts and Tax Returns have been submitted late (a statutory time offence has been committed)*</li> </ul>
<ul style="list-style-type: none"> <li>• Enquiries into Tax Returns that contain provisional entries*</li> </ul>	<ul style="list-style-type: none"> <li>• Cover for more than one attendee at meetings with HMRC (where required)</li> </ul>
<ul style="list-style-type: none"> <li>• Applications for Judicial Review (to a claim limit of £5,000)</li> </ul>	<ul style="list-style-type: none"> <li>• Cover for appeals up to and including the First-tier Tribunal or Upper Tribunal*</li> </ul>
<ul style="list-style-type: none"> <li>• Stamp Duty Land Tax (SDLT) enquiries <b>NB1</b></li> </ul>	<ul style="list-style-type: none"> <li>• Cover where HMRC have not been notified of chargeability to tax within the statutory time limits*</li> </ul>

\* However see specific exclusions below **NB1** Where we have completed the work the enquiry relates to

### What is not covered?

Fees incurred specifically in respect of the following are excluded:

<ul style="list-style-type: none"> <li>• Routine compliance work including preparation, rectification and submission. e.g. relating to your accounts, tax returns, Payroll, VAT, CIS etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Any tax, interest, duties, penalties/fines, damages, compensation, wages etc due (However as our fees are covered it gives us the best chance to fight the investigation as effectively as possible)</li> </ul>
<ul style="list-style-type: none"> <li>• Where it is proven you have committed a criminal offence in relation to the enquiry matters</li> </ul>	<ul style="list-style-type: none"> <li>• Where an allegation that you have committed fraud or fraudulent intent is proved correct</li> </ul>
<ul style="list-style-type: none"> <li>• Enquiries, interventions, disputes, checks, visits, meetings, facts and events that commenced or existed prior to subscribing to the service</li> </ul>	<ul style="list-style-type: none"> <li>• Accounts and Tax Returns that have been submitted late before subscribing to the service <b>NB2</b></li> </ul>
<ul style="list-style-type: none"> <li>• Fees incurred amending provisional tax returns</li> </ul>	<ul style="list-style-type: none"> <li>• Cover for appeals to the First-tier Tribunal and beyond where there are no grounds to dispute HMRC's position</li> </ul>
<ul style="list-style-type: none"> <li>• Tax Avoidance Schemes with an HMRC allocated DOTAS number, or where no DOTAS number but relating to marketed or promoted bespoke tax planning arrangements outside of the normal trade</li> </ul>	<ul style="list-style-type: none"> <li>• Where it is necessary to reconstruct books and records that have been poorly maintained</li> </ul>
<ul style="list-style-type: none"> <li>• Where there has been a deliberate omission of a significant item on a tax return</li> </ul>	<ul style="list-style-type: none"> <li>• Social Security Benefit enquiries</li> </ul>
<ul style="list-style-type: none"> <li>• Insurance Premium Tax (IPT) enquiries</li> </ul>	<ul style="list-style-type: none"> <li>• Enquiries instigated by foreign equivalents of the UK HMRC</li> </ul>
<ul style="list-style-type: none"> <li>• Working and Child Tax Credit enquiries</li> </ul>	<ul style="list-style-type: none"> <li>• Universal Credit Enquiries</li> </ul>
<ul style="list-style-type: none"> <li>• An enquiry due to late notification of chargeability to tax before subscribing to the service</li> </ul>	<ul style="list-style-type: none"> <li>• Costs incurred obtaining a third party professional valuation of an asset</li> </ul>
<ul style="list-style-type: none"> <li>• Insolvency or bankruptcy related enquiries</li> </ul>	<ul style="list-style-type: none"> <li>• Specialist external support not approved by us</li> </ul>

**NB2** No future returns can be covered until all overdue returns are brought up to date and filed.

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## Company Directors & Shareholders and Partners in a Partnership

If your Company or Partnership subscribes to the service, then protection is automatically extended to each Director, Shareholder or Partner (including their spouses/civil partners) in respect of their personal tax, provided we act for them in this capacity. However this does not extend to any other business interests they may have in addition to the Company or Partnership concerned, the additional business interest would need to pay a separate fee for the service to obtain cover. If any Relevant Accountancy Fees are issued to the Directors, Shareholders or Partners personally (rather than to the Company or Partnership), then a Fees Protection Service fee will need to be paid on these fees for personal cover to be maintained. Enquiries into a company or partnership that are extended into the personal affairs of the directors, shareholders or partners involved, are treated as one enquiry in relation to the £50,000 claim limit.

### Multiple business entities

If the same Directors and/or shareholders have involvement in multiple companies, each company must pay its own fee to be covered under the service. This also applies to a group of companies, each company within the group must pay its own fee to be covered under the service. If the same individuals have involvement in multiple sole trade or partnership businesses, each business must pay its own fee to be covered under the service. Each separate business entity as a result has its own £50,000 claim limit.

## Fee Calculation and obtaining cover

The cost is calculated at 15% of Annual Relevant Accountancy Fees plus VAT. We retain the right to vary this rate in the future depending on the intensity of bureaucratic activity and hence the level of claim experience. If varied we will give at least 3 months' notice of any change.

Normally we will raise the Fees Protection Service fee at the same time as we bill for your annual accounts and/or tax returns, so that the cover can be obtained before anything is submitted to HMRC, and also as the service fee directly relates to the fee being raised. This will protect you for enquiries into the accounts period end and tax return period that the fee we have raised relates to. It will also cover you for any in year inspections for the period up until we next invoice you for any Relevant Accountancy Fees.

No cover is obtained however until the fee has been settled in full. For clarity this means that the issuing of the fee does not instigate cover, it is the paying of the fee in full that instigates cover. If a subsequent Relevant Fee has been issued with a fee for the Fee Protection Service included on it, then if that fee is not paid within the 30 day payment terms, cover for in year inspections ceases until the fee note is settled in full.

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## Relevant Fees

Annual Relevant Accountancy Work that a charge for the service will be added to include fees relating to the following work:

• Accounts preparation (including Rental Accounts)	• Personal Tax Returns and Computations
• Business Tax Computations	• Corporation Tax Returns
• Partnership Tax Returns	• Provisions Tax Returns
• Capital Gains Tax Work and Computations	• Inheritance Tax Work
• Gift Aid Claims	• Stamp Duty Land Tax Returns
• IR35 / Status Work	• Research & Development Claim Work

All other fees are excluded and will not attract a charge for the Fees Protection Service.

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## Fee Capping

The maximum total Fees Protection Service charge in a Relevant Period is capped at £295 plus VAT. We retain the right to vary this maximum in the future depending on the intensity of bureaucratic activity and hence the level of claim experience, and also occasionally to adjust for inflationary factors. If varied we will give at least 3 months' notice of any change.

When calculating the charge in a Relevant Period each business in a Multiple Business Entity

situation (see above) has its own separate Fee Capping (i.e. £295 plus VAT per separate business entity). Charges for the service for Company Directors & Shareholders and Partners in a Partnership (see above) are added to the charge to the Company or Partnership when calculating total charges for Fee Capping Purposes, in order that the combined charge for the business and the involved parties does not exceed £295 plus VAT.

## Relevant Period

A Relevant Period is as follows:

			EXAMPLE	
Type of business	Accounts Period	Personal Tax Return Period	Accounts Period	Personal Tax Return Period
Company	Company Accounts Year/Period End	Tax Year most closely aligned to the Accounts Period	31/12/2015	2015/2016
Partnership	Tax Year Accounts Year End Falls In	Tax Year	31/12/2015 = 2015/2016	2015/2016
Sole Trader	Tax Year Accounts Year End Falls In	Tax Year	31/12/2015 = 2015/2016	2015/2016

### Subscribing to the service for the first time

If you are a new client to us, or an existing client who has not yet availed yourself of this service, then you will potentially have accounting periods and tax returns that have already been filed, and are still open to enquiry from HMRC, but that no Fees Protection Service fee has been raised and paid in relation to, and therefore these periods are not covered under the service. In addition, as you will not yet have paid any charges for this service, you will not be covered for any in year enquiries that may be instigated by HMRC.

Normally a full 15% charge would be payable to obtain cover for each of these initial periods, however to make sure you are fully covered from the outset at minimum cost, when you request cover under this service, we will automatically issue you with a Discounted Immediate Cover fee which is only 50% of one full year's protection fee (estimated if necessary). Once settled in full, this will cover you for all prior years that are already completed but still open to enquiry by HMRC, and will also cover you for immediate protection for any 'in year' enquiries, such as VAT and PAYE Inspections or Information Requests. If the 50% charge is based on an estimated fee and the final fee turns out to be different no adjustment to the 50% fee will be made.

For clarity any Relevant Fees issued to you after we have sent you this "Tax Enquiry Fee Protection Service" brochure are subject to the full 15% charge and do not fall within the Discounted Immediate Cover.

If you are happy to not have cover for 'in year' enquiries until we complete your first Annual Relevant Accountancy Work and issue the fee, and do not require prior year accounts and tax return cover, then you can Opt Out by ticking the appropriate box on the Service Request form. If you require clarification on which prior periods are still open to enquiry in your case please contact us and we will explain in detail for you. If you Opt Out please make sure you understand what you are not covered for.

### Right to settlement of duty

Where the fees and disbursements in dealing with any enquiry under this service are likely to exceed the tax, interest, duties or penalties/fines (the duties) that are being claimed against you, we reserve the right to pay HMRC (or other body making the claim) a sum equivalent to the duties, in lieu of fees and disbursements covered by this service, in order to settle the enquiry. You have no right to insist upon us taking this action.

### Cancellation

The service can be cancelled in writing by you by giving immediate notice to us. We reserve the right to withdraw the service by no longer offering renewal, however we will honour the service for fee notes already issued and paid. In the event of you cancelling the service, you have no right to any refund of any service fees paid, you can only cancel the service for future renewals. For clarity, on the date of your cancellation, 'in year' enquiry cover will cease. If you do not fully settle a Fees Protection Service fee within the 30 day payment terms, we have the right to deem this a cancellation from you after the 30 day payment terms period has expired.

### Recovery of costs

Where it is possible to recover costs from the relevant authority following a successful defence of a claim, both you and us must take all reasonable steps necessary to recover such costs, and if any such recovered costs are paid directly to you, you agree to pay us the same to contribute towards the costs we have incurred in defending the matter on your behalf.

### If you cease to be a client

If you cease to be a client of ours, then we will honour the service for periods that you have settled service fees in relation to even once you are no longer a client of ours. This service only allows us to represent you, it expressly excludes us having to make any payment to an alternative agent to represent you.

# FEES PROTECTION SERVICE REQUEST

**This form certifies to us your requirements relating to our Fees Protection Service**

REQUEST FROM THE FOLLOWING CLIENT:-

CLIENT REFERENCE

Tick One

If a Company

The Directors of:

*Enter the name of the Company above*

If a Partnership/LLP

The Partners of:

*Enter the name of the Partnership above*

If an Individual

*Enter the Individuals name(s) above*

**WOULD YOU LIKE TO TAKE ADVANTAGE OF THIS COVER?** (Please tick Yes or No)

\* All fees plus VAT, there is a maximum cap of £295 plus VAT per annum.

YES

You will be **INCLUDED** in our firm's Tax Enquiry Fee Protection Service.

### Annual cover

Your future fees from us will include an additional protection fee for this service at **15% \* of your annual Relevant Accountancy Fees.**

### Discounted Immediate Cover

You will be invoiced now for **only 50% \*** of one full year's protection fee to cover the following:-

- Protection for **all** prior years already completed still open to enquiry by HMRC.
- Immediate protection for VAT, PAYE, Information Requests or any other in year enquiries.

Opt Out: If you wish to opt out of the discounted immediate cover and only obtain cover from when we complete your next relevant accounts and tax work, please

tick this opt out box.  *I want the future annual cover, but opt out of immediate & prior year cover.*

NO

You will be **EXCLUDED** from our firm's Tax Enquiry Fee Protection Service.

You understand that you will be responsible for paying our fees in full, if you ask us to act on your behalf for any enquiries HM Revenue & Customs may instigate into your tax affairs.

Our fees would be based on the time spent dealing with the enquiry at our fixed hourly enquiry rates, current rates are available on request.

### AUTHORISATION (Please sign in all cases)

CLIENT SIGNATURE

DATE

CLIENT NAME

*I/we understand that cover is not obtained until the fee note is settled in full. I/we understand that by indicating my/our requirement to take this service, I/we accept the Terms & Conditions detailed in pages 4 - 8 of this "Tax Enquiry Fee Protection Service" brochure*

**Pass form to ZN For Office Use Only**

Fee Raised

YES

S/O

N/A

DB Updated

YES

ZN Initial

Date





**M** Marsland  
**N** Nash  
**A** Associates

*"Initiating change rather  
than reacting to events"*

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**CHARTERED  
TAX ADVISERS**