

## **Terms of the Tax Defence (Tax Investigation Representation) Service**

1. All current IIM members have access to this service **except** those who are already covered by the same service under IPSE. Any IIM member who has membership with IPSE will not be covered (as they are already covered). If an IIM member leaves IPSE they must advise IIM to receive the service via IIM, this does not transfer automatically (because we won't know the member has left IPSE so their cover via us will not be activated).

IIM members should contact the IPSE office if any of the trigger points listed below occur. You will be assigned an expert representative from Abbey Tax/Accountax to handle your case. The cost of professional fees to represent you will be covered by the insurance up to a total of £75,000. Some or all of these events will apply, depending on your chosen business structure; sole-trader, limited company, partnership or limited liability partnership:

1. Income Tax Self Assessment (ITSA) Full Enquiries: the trigger point is the issue of the S9A or S12AC TMA 1970 Notice by the Inspector of Taxes together with a request to examine all of the business books and records or, in the case of a personal taxpayer, all of the underlying documents used in the preparation of the Self Assessment Return.
2. Income Tax Self Assessment (ITSA) Aspect Enquiries: the trigger point is the issue of the S9A or S12AC TMA 1970 Notice by the Inspector of Taxes. The Inspector will be making enquiries into specific Aspects of the Income Tax Self Assessment Return.
3. Corporation Tax Self Assessment (CTSA) Full Enquiries: the trigger point is the issue of the Notice under Paragraph 24(1) Schedule 18 Finance Act 1998 together with a request to examine all of the business books and records.
4. Corporation Tax Self Assessment (CTSA) Aspect Enquiries: the trigger point is the issue of the Notice under Paragraph 24(1) Schedule 18 Finance Act 1998. The Inspector will be making enquiries into specific Aspects of the Corporation Tax Return.
5. Employer Compliance Disputes ( PAYE, P11D and NIC): the trigger point is the issue of a letter, assessment or notice by HMRC, following an Audit visit, providing there is a prospect of disputing the alleged liabilities.
6. HM Revenue & Customs VAT Disputes: the trigger point is the issue of a written decision, assessment, or statement of alleged arrears by HM Revenue & Customs into Value Added Tax and/or Value Added Tax default surcharges and misdeclaration penalties, providing there is a prospect of disputing the alleged VAT liabilities.
7. IR35 Disputes where HMRC are disputing the IR35 declaration following either the issue of a Notice under Paragraph 24(1) Schedule 18 Finance Act 1998 or an HMRC Compliance visit. However, there must be a written Contract for Services in respect of the liabilities which are being disputed and the real arrangements do not significantly conflict with the contractual arrangements on status-relevant matters. The Contract must also have been strictly followed and there must be a reasonable prospect of successfully contesting the Revenue's allegations. Please note: the dispute phase must have been reached as only IPSE Plus members have protection for pre-dispute enquiries.
8. S660A Enquiries: the trigger point will be either the issue of a Notice under Paragraph 24(1) Schedule 18 Finance Act 1998 Aspect Enquiry specifically dealing with matters

pertaining to settlements legislation or an HM Revenue & Customs Compliance visit which concerns itself

with the settlements legislation, however any S660 Enquiry will be covered regardless of the source.

2. The following events are **excluded** from the tax investigation service:

1. Existing investigations and disputes at the time you join IIM, as well as events of which you are aware e.g. notification of an HMRC visit. Please note that your date of joining IIM (or your date of renewal if there is a gap between membership periods) must pre-date the date of any correspondence from HMRC.
2. An Enquiry or Dispute occurring or notified after you have ceased to be a member of IIM. Once your IIM membership renewal date has passed, the service will cease. If you then renew your membership you will not be covered for any investigations which commenced during the interim period. For this reason it is essential that you renew your IIM membership to maintain cover.
3. Fees incurred prior to the written acceptance of a claim.
4. Claims arising where the annual returns/accounts are submitted "late"; i.e. outside the time parameters set out in Taxes Management Act 1970.
5. Tax planning arrangements where HMRC has allocated a Disclosure of Tax Avoidance Scheme (DOTAS) Number and any matter relating to bespoke tax planning outside of the normal trade such as film partnerships or film schemes, or planning involving artificially created losses or loan arrangements.
6. Special Civil Investigations, HMRC Customs & Excise Investigations Division cases and criminal investigations and enquiries issued under Code of Practice 8 (issued in respect of tax evasion) or Code of Practice 9 (issued in respect of suspected fraud).

Helplines

1. The tax and contract helpline is operated by experts at Abbey Tax Protection. Call for advice on:

1. Contracts governing your engagements (agency regulations, employment status/IR35 or operational matters such as handcuff clauses)
2. Guidance on UK VAT issues
3. What to do in the event of any contact whatsoever from HM Revenue & Customs that isn't clear

2. The legal helpline, operated by a team of solicitors at Abbey Tax, is open 24 hours, 365 days.

Call for business & personal enquiries such as:

1. Intellectual property
2. Small claims court procedures
3. Business tenancies
4. Debt recovery
5. Dealing with complaint letters (asserting rights)
6. Dealing with statutory demands
7. Employing people
8. Health and safety

9. Consumer law
10. Matrimonial law
11. Wills & probate