

## **HFM ENQUIRY CASE STUDIES**

### **Case 1**

A self-employed chauffeur was subjected to an HM Revenue and Customs full enquiry lasting 18 months.

The reason he was selected for an investigation was not obvious. Possibly HM Revenue and Customs picked him because of his profession; they might have suspected that he was accepting undeclared cash payments. In fact, he only drives for large businesses and senior figures in industry, who operate on an account basis and would not consider offering payment in cash.

Eventually, we were able to convince HMRC of this and it was accepted that no further tax was payable. Because the client had joined our TaxSafe fee protection scheme, our fees for handling the case, which amounted to over £2,000, were covered in full. The client paid nothing at all and was delighted with the outcome.

### **Case 2**

HM Revenue and Customs opened an investigation into the residency status of a client who was an American citizen working here in the UK. They were demanding £50,000 in tax, plus interest and penalties.

The case was complex, but after a protracted period of negotiation on our part, HMRC agreed to settle for just under £3,000.

Our client was very happy that we had saved her such a considerable sum of money. However, she had chosen not to join our TaxSafe fee protection scheme and consequently had to pay another £3,000 in fees to cover the work we had done on her behalf.