

Case Studies



Tax enquiry

HMRC opened an enquiry into a tax return. The enquiry lasted 2 years with various requests for information and data from the client. Fees were requested at several points and were authorised to enable their accountant to continue to deal with the enquiry on their behalf. The enquiry was concluded with no amendments being made to the return. Total fees on this claim amounted to £19,000, which were paid in full.



VAT enquiry

A VAT inspection was arranged with the client at their premises. Fees were authorised to allow their accountant to attend the meeting. During the inspection HMRC raised a concern about the systems used by the client to store their data. Following the visit recommendations were made as to how the client could make improvements. The enquiry was closed and all fees were paid for the visit and subsequent letters that their accountant had to send to HMRC. The fees totalled £3,400, which included travel time to the meeting and mileage costs. This was paid in full.



CIS enquiry

An enquiry was opened into a scaffolding company's Construction Industry Scheme payments. The enquiry lasted for 6 months and resulted in the client receiving a refund from HMRC. The total fees for their accountant to defend this enquiry were £2,400 which were paid in full.



Nudge Letters

HMRC's current approach is to issue 'nudge letters' in order to give tax payers the opportunity to re-assess the provided information before a formal enquiry is opened. Although not a full investigation, they do still require your attention and the time taken to respond from your accountant can be costly and expensive. Such an example is a nudge letter into Property Disposal assets. Whilst there were no amendments required by HMRC, the cost associated with responding was nearly £1,000.

Tax Enquiry Fee Protection Service



Get Protected
through our Tax
Enquiry Fee
Protection Service

HMRC can sting at any time...

Contact us

166 College Road, Harrow, Middlesex, HA1 1RA
0208 8634566 www.charter-house.net

GET RELIEF FROM THE FINANCIAL PRESSURES OF A TAX INVESTIGATION

What is the Tax Enquiry Fee Protection Service?

It is an insurance backed service which protects you from accountancy fees associated in dealing with any HMRC enquiry or dispute.

What is an HMRC Investigation?

£35.8 billion is the estimated tax gap between what HMRC should collect and what it does collect. To ensure tax compliance and to close this gap, HMRC undertakes tax and VAT investigations.

Why would I be investigated?

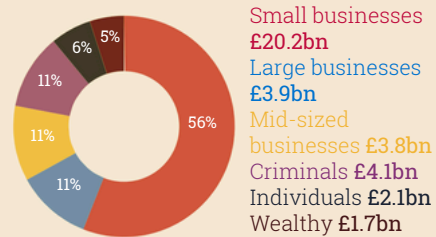
There is no definitive answer as to why, but there are a lot of possibilities: filing a late return, errors that require correction, dealing with cash, HMRC receives a tip off, or working in a targeted business sector to name a few. HMRC's Connect database collates data from banks, Land Registry records, Visa and Mastercard transactions, DVLA, council tax, VAT registration documents, Airbnb, and believe it or not even your social media profiles. A common misconception is that a mistake has been made but often that isn't the case. Random enquiries can and do happen.

How much does an enquiry cost?

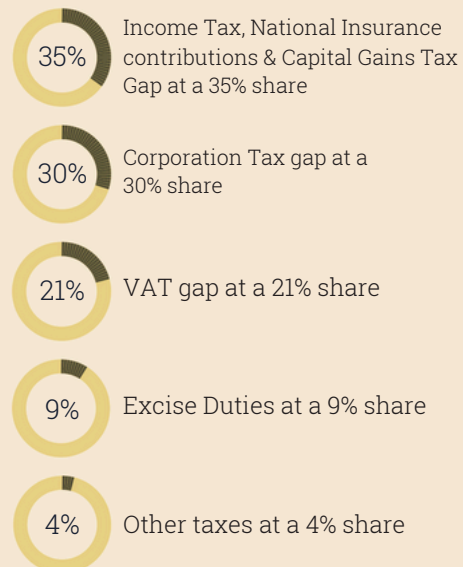
Representing you can easily run into thousands of pounds but will vary from enquiry to enquiry, even if your return is correct and no further tax is due. Immediate professional representation is essential in successfully and quickly dealing with HMRC enquiries, the cost of which is not included as part of your annual fees.

The tax gap is estimated to be:
4.8% of total theoretical tax liabilities, or
£35.8 billion in the 2021 to 2022 tax year.

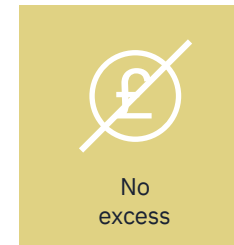
Share of tax gap by customer group



Largest Component of the Tax Gap by type is:



Tax Enquiry Fee Protection Service Good to know



The service includes any compliance check, visit (regardless of whether a dispute has yet arisen) or investigation started by HMRC regarding compliance with:

- Corporation Tax Self-Assessment
- Income Tax Self-Assessment
- PAYE
- VAT visits
- National Insurance
- Construction Industry Scheme
- IR35
- Stamp Duty Land Tax
- Employer Compliance Visits
- Check of Employer records
- Interventions
- Capital Gains Tax
- National Minimum Wage
- Gift Aid Legislation and regulations
- P11D
- Inheritance Tax
- Child Tax Credits
- HMRC use of pre-dispute information and inspection powers under schedule 36

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- A library of compliant forms, policies, employment contracts, risk assessments etc. All downloadable.
- Detailed information and guidance on a range of HR/H&S related topics including absence, termination, maternity, staff handbooks, flexible working, fire safety, DSE and manual handling to name a few.



Summary of Tax Investigation Service



What does the tax investigation service include?

Your accountant is insured in respect of fees up to £100,000 incurred representing you in the event of any compliance check, visit or investigation started by HMRC regarding compliance with:

Corporation Tax Self-Assessment	National Insurance	VAT
Income Tax Self-Assessment	Construction Industry Scheme	National Minimum Wage
PAYE and P11D	IR35	Gift Aid legislation and regulations
Capital Gains Tax	Inheritance Tax	Stamp Duty (including Land Tax)
Your accountant's full terms and conditions can be found at www.cronertaxwise.com/premier-professional-policy		

Including professional fees incurred in respect of a local review of the enquiry and preparation and representation at an appeal to the First-tier Tribunal, Upper Tribunal or Employment Tribunal and any appeal against such a tribunal's decision. After an appeal to the Upper Tribunal or where there is no right of appeal to the tribunal, the Policy will cover an application for Judicial Review (subject to a maximum indemnity of £5,000).

Where applicable this service extends to include your directors, partners and company secretaries subject to external income limits.

What is excluded?

Fraud	Criminal Prosecutions	Tax Avoidance Schemes
Deliberate Omissions	Tax, fines, penalties & interest due	Enquiries commencing outside of the Period of Service

Making a claim

In the event of any correspondence or communication from HMRC relating to a potential enquiry or dispute, please speak to your accountant straight away and get immediate professional advice. Your accountant will make a claim against their Policy and credit the proceeds against your liability for fees. You could be liable for fees not covered by the Policy.

Support for your business

You have telephone access to specialist HR, Health & Safety and Commercial legal advisors, please call 0844 892 2807. Please note that the legal advice line is not indemnified.

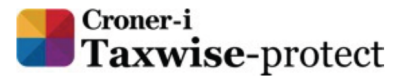
we can help **your business** with **immediate HR advice**

HR Support **0844 892 2807**

Your accountant's insurance is arranged through Croner Taxwise Limited (Financial Services Register number 304970) and underwritten by Irwell Insurance Company Limited (Financial Services Register number 202897). This document does not give full details of the cover provided.

A condition of your accountant's arrangement with the insurers is that all claims must occur and be notified during the Period of Insurance. This service only applies to enquiries or disputes with HMRC, whose jurisdiction is within the United Kingdom of Great Britain and Northern Ireland excluding the Isle of Man and the Channel Islands.

Confirmation of Tax Investigation Service



Charterhouse (Accountants) Ltd

POLICY NUMBER CRT82590-2025-1 PERIOD OF SERVICE 01 October 2025 to 30 September 2026

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PAYE and P11D	IR35	Gift Aid legislation and regulations
Capital Gains Tax	Inheritance Tax	Stamp Duty (including Land Tax)

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Support for your business

You are only a click away from access to My Business Hub, a digital library keeping you compliant with documents and advice relating to all areas of HR, Legal, Employment Law and Health and Safety helping you to manage your business with confidence.

To access My Business Hub Simply scan the QR code

For immediate complimentary advice relating to HR Call 0844 892 2807

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Your accountant's Insurance is arranged through Croner-i Limited who are regulated by the Financial Conduct Authority in respect of Insurance Mediation Services (Financial Services Register no. 951415) and underwritten by Irwell Insurance Company Limited (Financial Services Register no. 202897)

This document does not give full details of the cover provided. A condition of your accountant's arrangement with the Insurers is that all claims must occur and be notified during the Period of Insurance. This service only applies to enquiries or disputes with HMRC, whose jurisdiction is within the United Kingdom of Great Britain and Northern Ireland excluding the Isle of Man and Channel Islands.