

[Welcome to the MCC HMRC factsheet](#)

Dealing with HMRC can be daunting; however, a few simple rules can help you navigate this potential minefield. If you feel your affairs are more complicated, or if you are unsure on how to proceed, please contact a professional advisor.

1. Avoid Enquiries In The First Place

As we all know, prevention is better than cure. You can save yourself a great deal of time, money and worry by disclosing information about any unusual transactions in your accounts which may be flagged as suspicious by HMRC. This way you may benefit from a 'hands off' type investigation.

2. Notify HMRC Of Changes To Your Circumstances

If your circumstances change, it is your responsibility to tell HMRC. If, for example, you are lucky enough to have a new source of income on which you may have to pay tax, then you must inform the tax authorities. Failure to adhere to this most basic of rules can mean a lengthy investigation and more severe penalty.

3. Get Your Records Straight

Nothing is more frustrating for HMRC than incomplete and disorganised records. Having the right information easily to hand means any questions can be answered quickly and accurately. You are much more likely to keep within the law and avoid unnecessary mistakes by keeping things simple.

4. Keep Your Records

Just because you have submitted your tax returns does not mean that they are no longer needed. With a mountain of 'paperwork' to wade through, HMRC insist that records are kept for extended periods of time. In the case of individuals, the requirement is a minimum of 12 months following the 31 January deadline for submission. For the self-employed, it is extended to five years following submission. Make sure your records are accessible if required..

5. Stay The Right Side Of The Law

We all make mistakes – it is just one of those facts of life. Deliberate concealment of income is a different matter and is not looked on favourably by HMRC. Penalties for non-compliance are ramped up to punish those seeking to evade the payment of tax. If you do make a mistake it is advisable to cooperate fully and you will be treated with equal respect.

6. HMRC Are Willing To Help

It is a common misconception that the ‘taxman’ is out to get you. Let us assure you they are not. There is a wealth of help online and at the end of the telephone. It is much better to find out first than have to unravel mistakes at a later date.

7. Know Your Rights

Although HMRC have a great deal of legal rights and powers to ensure you pay the right amount of tax, this does not mean that you have no rights as the tax payer. You must be treated with due respect at all times and it always helps to treat people in the same way you would like to be treated yourself.

8. Making A Complaint

If you feel that you have been treated unfairly then it is always possible to seek a review from HMRC. There is a strict policy on how complaints are handled. You can download a factsheet from www.hmrc.gov.uk/factsheets/complaints-factsheet.pdf.

9. Get Professional Advice

Even with the best intentions tax can get complicated and you can easily find yourself out of your depth. This is probably the time to call in the professionals.

MCC hope you have found these tips useful. We welcome feedback and would like to know what subjects or topics you would like to see future publications centred on.

To find out more information on our tax services please contact us.

The MCC Tax Team