

eNews

13 JUNE 2023

Welcome to haysmacintyre's regular 'e-news alert' for corporates and private individuals.

Another public sector body hit with IR35 OPW bill

UK Research and Innovation agency is the latest public sector body to be caught by the Off Payroll Working (OPW) rules costing it £36 million. The non-compliance was revealed in its 2021-22 accounts following an internal review of the status of its self-employed monitoring and assessment officers. The 2017 OPW rules shifted responsibility for employment status reviews to the engager and operating PAYE to the fee payer. The non-compliance of government departments, so far, totals c£300m. Employers should ensure their employment status processes are robust to avoid incurring income tax and NIC liabilities. Please contact our [Employment Tax](#) team for assistance.



ECL guidance issued

HMRC has [published guidance on the Economic Crime Levy](#) (ECL) which will affect organisations that are supervised under the Money Laundering Regulations with UK revenues exceeding £10.2m per annum. The ECL will be collected by either HMRC, the Financial Conduct Authority or the Gambling Commission and will cover the period for the previous financial year. The charge for 2022/23 is due on 30 September 2023 and ranges from £10,000, for those with turnover between £10.2m and £36m, to £250,000 for those with UK revenue exceeding £1 billion. Those subject to the ECL will need to register and submit an online return.

Social media posts are work

The [First-Tier Tribunal \(FTT\) has recently ruled](#) that Glo-ball Group Limited made invalid Coronavirus Job Retention Scheme (CJRS) claims in respect of one of its directors, as she continued to make posts on social media promoting the company and, accordingly, there was no complete period of inactivity lasting more than 21 days. Accordingly, the FTT held that she had not met the requirements of a 'furloughed' employee and therefore was not entitled to receive CJRS payments. This illustrates how HMRC will consider all accessible information when dealing with their enquiries. Please contact [Nick Bustin](#), Employment Tax Director, for further information.



POT becomes PBS

The [Financial Reporting Council \(FRC\)](#) has announced that the Professional Oversight Team (POT) has been restructured and will now be known as the Professional Bodies Supervision (PBS) team. The change reflects an agreement made last year by the Board of the FRC for a new strategy for POT to deepen and strengthen its supervision of the Professional Bodies, building on the existing FRC supervision model for audit firms.

Private school fees scheme failed by HMRC

[HMRC has issued guidance](#) stating that, in its opinion, a tax avoidance scheme being marketed as being able to assist educational costs does not work. The scheme involves, inter alia, issuing a new class of shares, transactions at an undervalue, dividends, trusts and arbitraging the possible differential tax rates between the children and their parents and/or grandparents. HMRC believes this scheme is caught by specific anti-avoidance legislation. If you require assistance with tax investigations, please contact [Danielle Ford](#), Partner, Head of Tax Disputes and Investigations.



Government closing the umbrella?

The Government has [published a consultation document](#) on its proposal to regulate umbrella companies from a tax and employment law perspective. Its objectives include improving worker outcomes, creating a level playing field and protecting workers from non-compliance losses. There was strong support for more regulation during a call for evidence last year. Historically, this has been a fertile area for non-compliance, especially with abuse of the employment allowances and VAT flat rate reliefs, so the consultation is welcome. The consultation closes on 29 August 2023. Please contact our [Employment Tax](#) team for more information and support on employment tax compliance issues.

HMRC issues fraud alert

HMRC has [warned taxpayers to be alert](#) to a number of new scams through e-mails, texts and phone calls which are designed to elicit money or personal information. The scams include claims that: personal information is out of date with the risk of missing out on payments due to the individual; direct debits have not gone through; threats of arrest if fake tax is not immediately paid; the national insurance number has been fraudulently used; and false tax rebates or grants are due. HMRC says it will never make unexpected phone calls making threats or asking for money transfers.



And finally... summer holiday for tax helpline

HMRC has [announced](#) that it will redirect Self-Assessment queries from the helpline to HMRC's digital services between 12 June and 4 September 2023 to allow call handlers to deal with other problem calls. The Self-Assessment helpline should re-open on 4 September.

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Shortlisted 2019 National Firm of the Year



Shortlisted 2019 Tax Team of the Year



Highly Commended Partner of the Year



2021: Best auditor
2020: Best outsourced finance service



Winner: Audit Team of the Year



Top 15 auditor to quoted companies in Adviser Ranking Listing



An eprivateclient top accountancy firm 2022