

HMRC TO TARGET TAXI FIRMS - ***YOU HAVE BEEN WARNED!!***

On the 23 February 2012 HMRC announced thirty new task forces to crack down on tax dodgers will be launched in 2012/13.

The task forces will target specific business sectors in specific locations where there is evidence of tax evasion. The likely targets include:

- the rag trade
- the motor trade
- indoor and outdoor markets

Just before the Jubilee weekend, HMRC expanded its compliance and enforcement programme by announcing a wave of new task forces to investigate evasion in specific commercial

and geographical sectors, during 2012/13. One of these involves taxi firms in Nottingham, Yorkshire, Leicestershire and Derbyshire - expected to yield £2m.

HMRC seem to be pulling no punches, and it is likely should it be successful, they will expand to other geographical areas.

This follows on with the Government's stance when they came into power some two years ago, to tackle the 'black economy'.

One of the first campaigns concerned plumbers, where following their investigations back in August 2011, five arrests have been made and 600 cases

referred for Civil Investigation. One 'ghost plumber' owes £150,000.

HMRC quote: "The arrests and investigations have taken place during a campaign targeting plumbers, which invited them to put their tax affairs in order. Some of those involved owe up to £150,000.

"This is the start of co-ordinated action and more raids are expected to take place over the coming weeks across the UK, including Yorkshire, Kent, Cambridgeshire, Tyne & Wear, Midlands and South Wales."

John Pointing, Assistant Director, HMRC Criminal Investigation, said: "These

raids and arrests of 'ghosts' - people who have not declared income from the work they do - are the culmination of months of work by HMRC.

"We provided a chance for those we have arrested, and the 600 we are investigating, to come forward voluntarily and put things right. These arrests send a clear message that HMRC will take action against those who choose not to come forward and pay the tax they owe."

Following on from this, on the 27 March 2012, West Midlands plumber David Williams, 53, was jailed for 12 months for evading £91,000 of income tax and

national insurance during ten years of trading as a self-employed plumber. Nine more plumbers have been arrested and investigations are ongoing.

So HMRC seem to be

more active than they have been for many years, and the old favorite, the taxi industry is now in line to be looked at over the next few months. You have all been warned!

For those wanting to learn more on the subject, please see past articles in the series Taxing Matters, also on the PHTM website. These can be viewed by clicking on newspaper and then view archives. Articles have been written in March, April, May and June.

Paul Taylor is creator of Taximanager, the online easy software for the owner driver, and the £99 package, accounts and Self Assessment return submitted inclusive.

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