



[company name]
[address]

Phone 03000 180 382
Email offshoreateddiscrepancies@hmrc.gov.uk
Web www.gov.uk and search 'ATED'

Date [date]
Our Ref [Caseflow reference]

Dear Sir or Madam

UK residential property of [company name] and the Annual Tax on Enveloped Dwellings

Our records show that [company name] owns UK residential property and has filed Annual Tax on Enveloped Dwellings (ATED) returns for this property since 2018.

By law, liability to ATED from 2018 to 2022 is based on the value of the property on 1 April 2017, or the date the property was acquired if later. Our information shows the bands used in the returns may be incorrect and you may need to tell us about more tax that is due by making a disclosure.

What you need to do

You need to check that you have told us about all the tax the company has to pay in the UK. If the company needs to pay additional tax, you'll need to make a disclosure. To start the process of making a disclosure, please fill in and send us the enclosed notice of intention and certificate.

If you think you don't need to make a disclosure, you need to tell us why. To do this you must fill in the enclosed certificate.

Please send the completed notice of intention and/or certificate to either:

- offshoreateddiscrepancies@hmrc.gov.uk
- the address at the top of the letter

You must do this by [date of letter + 40 days] and use reference [Caseflow reference].

If you email us, please make sure you have read and understood the risks mentioned in the enclosed factsheet DSC1, 'Corresponding with HMRC by email guidance'. If you're using an agent, please check that they have the company's written approval to correspond with us by email and share that with us.

About Annual Tax on Envelope Dwellings (ATED)

ATED is an annual tax charged in respect of chargeable periods running from 1 April to 31 March each year. The first chargeable period was 1 April 2013 to 31 March 2014. It is payable mainly by companies that own UK residential property where the property's value is over a certain amount (known as the value threshold).

When ATED was introduced on 1 April 2013, the value threshold was £2 million. The threshold was reduced to £1 million from 1 April 2015, and then further reduced to £500,000 from 1 April 2016.

You need to know the value of your property to find out if it is liable to ATED.

When you know the value of your property you can work out what property value band it falls into. This will tell you whether you need to pay ATED and, if tax is due, how much you need to pay each year.

You can work out the value yourself or you can use a professional valuer. The valuation of the property must be in pounds sterling.

The initial valuation date is:

- 1 April 2012 for properties owned on or before that date
- the date you acquired the property if it's after 1 April 2012

Valuations must be on an open-market willing buyer, willing seller basis and be a specific amount.

There are fixed revaluation dates for all properties, every 5 years after 1 April 2012. For example, on 1 April 2017, 1 April 2022 and so on, regardless of when the property was acquired.

Properties owned on or before 1 April 2017 should be revalued at that date. This is the value you must use to work out the banding and annual charge for the 5 chargeable periods beginning from 1 April 2018. If you acquired the property after 1 April 2017, the value at the date of acquisition is to be used.

Our information suggests the bandings used in your ATED returns for periods since 1 April 2018 may be incorrect and more ATED may be due. If the bandings are incorrect, you need to make a disclosure.

For illustrative purposes, the bandings and chargeable amounts for the period 1 April 2022 to 31 March 2023 were:

| Property value | Annual charge |
|---|---------------|
| More than £500,000 up to £1 million | £3,800 |
| More than £1 million up to £2 million | £7,700 |
| More than £2 million up to £5 million | £26,050 |
| More than £5 million up to £10 million | £60,900 |
| More than £10 million up to £20 million | £122,250 |
| More than £20 million | £244,750 |

The chargeable amounts change from period to period. For more guidance about ATED, the revaluation dates, bandings and chargeable amounts, go to [GOV.UK](https://www.gov.uk) and search 'ATED'.

You should consider getting professional tax advice.

What you may also need to consider

If there was an error in the return(s), you'll need to consider penalties – we have included factsheets to help you.

You'll need to make a disclosure where the company has failed to file any ATED returns due from 2013 to date. Penalties may also be due if you have failed to file returns that were due – we have included factsheets to help you.

You'll also need to revalue your property at 1 April 2022 for the 5 chargeable periods beginning from 1 April 2023. The valuation must be based on an open market value.

If there are any UK-resident individuals residing at the company's property, please ask them to make sure their tax affairs are up to date and in line with the Transfer of Assets Abroad anti-avoidance provisions. This may apply where, for example:

- they have an interest in the income or capital of the company, whether directly or indirectly
- they receive a benefit from the company, for example, not paying rent at market value.

For more information about the Transfer of Assets Abroad provisions, go to [GOV.UK](https://www.gov.uk) and search 'Income and benefits from transfers of assets abroad'.

This is a complex area of tax and we recommend getting professional tax advice.

If you don't give us the right information or we don't hear from you

We're giving you this opportunity to tell us about the company's tax position and any additional tax that is due. If we later find that you haven't told us everything, we'll view this very seriously.

If we don't hear from you within 40 days of the date of this letter, we may make an assessment of what we believe the company owes. If appropriate, we may open an investigation and any penalties we charge may be higher.

We charge interest on late payments. Paying any tax you owe as soon as possible will reduce the amount of interest you'll have to pay.

If you've committed tax fraud and want to own up

Please let us know by filling in a CDF1 form. For more information, go to **GOV.UK** and search 'Contractual Disclosure Facility'.

If you chose to use the Contractual Disclosure Facility, you must let us know that you received this letter during the disclosure process.

More information and support

We've sent a copy of this letter to the company's registered agent.

Any disclosure you make in response to this letter will be processed manually and not by the Worldwide Disclosure Facility (WDF) which is an internet-based system HMRC usually provides for disclosures. You'll need to give the same information as you would with the WDF and the steps to follow are the same. For more information about the steps to follow, please go to GOV.UK and search 'WDF'.

If there's anything about your health or personal circumstances that may make it difficult for you to deal with this matter, please let us know so we can talk about ways to help you. For more information, go to GOV.UK and search 'get help from HMRC if you need extra support'.

Yours faithfully

Campaigns and Projects Team

Join the millions of taxpayers already using their Personal Tax Account to access a range of services. It takes just a few minutes to get started, go to www.gov.uk/personal-tax-account Or you can use the HMRC app.

To find out what you can expect from us and what we expect from you, go to www.gov.uk/hmrc/your-charter and have a look at 'Your Charter'.



Caseflow ref: [Caseflow reference]

Complete this form, using capital letters where appropriate, to tell us about the disclosure you'll be making to HMRC.

When you've completed the form, you can email it to us using the email address at the top of the letter. If you wish, you can post the form to us at ISBC [postal address].

About the disclosure

What is the purpose of this disclosure?

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| |

Is this disclosure related to onshore or offshore liabilities?

Onshore Offshore

Does this disclosure relate to any of the following? Put an 'X' in one box.

An individual A company
A trust Another entity

If you've chosen 'another entity', tell us which entity

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About you

First name

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Last name

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Communication address

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| |
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| |
| Postcode |

Telephone number

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About you

Are you happy for HMRC to contact you by email?

No Yes

If you've answered yes to the question above, tell us your email address

If you're happy for HMRC to contact you by email, you'll need to confirm in writing, by email or post, that:

- you understand and accept the risks of using email
- you are happy for us to send you financial information by email
- we can send you attachments

If you're the authorised agent or representative, you'll need to confirm to us in writing that your client understands and accepts the risks of using email.

You must also send us signed authority that you can act on their behalf. You can do this by email or post.

Please read factsheet DSC1, 'Corresponding with HMRC by email' enclosed with this form for more information.

Are you representing an organisation?

No Yes

If you've answered yes to the question above, tell us which organisation you're representing

Capacity in which you are completing this form for example, director, agent

About the company

Company name

Communication address

Company registration number

Telephone number

Email address

Capacity in which you are completing this form for example, director, agent



Caseflow ref: [Caseflow reference]

The company's tax position

Choose which statement is accurate for the company's circumstances and tick the relevant box.

- 1 [] The company needs to bring its tax affairs up to date. The company will declare all its outstanding UK tax using the disclosure facility detailed in the letter. You must also tell us how the error happened and confirm that the error will not be repeated.

How did the error happen?

Table with 6 empty rows for describing how the error happened.

- [] The company has identified the cause of the error and has taken steps to make sure the error will not be repeated.

- [] The company confirms that at the date of this disclosure, the property/ies the disclosure relates to is/are still owned by the company and continue(s) to have ATED implications.

- [] The property/ies for which this disclosure is made has/have subsequently been disposed of by of the company. Please confirm the full address of the property/ies and date(s) of disposal:

Address

Form with fields for Address and Postcode.

Date of disposal

Date of disposal grid (YY MM DD)

Address

Form with fields for Address and Postcode.

Date of disposal

Date of disposal grid (YY MM DD)

The company's tax position

Choose which statement is accurate for the company's circumstances and tick the relevant box.

2 **The company believes the ATED banding used is correct and no disclosure is required.**

Please give a full explanation below:

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Please be aware that we will use the information we have to check if the statement you have made is correct. Please return your completed certificate by [date of letter + 40 days].

Declaration

I can confirm that the information given on this form is correct and complete to the best of my knowledge and belief. I understand that dishonestly making a false statement to evade paying tax is a criminal offence and I may be subject to investigation and prosecution.

Name

Your role

Address

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| Address |
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| Postcode |

Signature

Date

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Checklist

- Email protocol read and authorisation included in response
- Agent authority form completed (if applicable)
- If making a disclosure, Notice of Intention completed
- Completed certificate
- If required, any supporting documents



Corresponding with HMRC by email

Use the following information to decide whether you want to deal with us by email. We take the security of personal information very seriously. Email is not secure, so it's very important that you understand the risks before you email us. We will not deal with you by email unless you tell us you accept the risks of doing so.

About the risks

The main risks associated with using email that concern HMRC are:

- confidentiality and privacy – there's a risk that emails sent over the internet may be intercepted
- confirming your identity – it's crucial that we only communicate with established contacts at their correct email addresses
- there's no guarantee that an email received over an insecure network, like the internet, has not been altered during transit
- attachments could contain a virus or malicious code

How we can reduce the risks

We'll desensitise information, for example by only quoting part of any unique reference numbers. We can also use encryption. We're happy to discuss how you may do the same but still give the information we need.

If you do not want to use email

You may prefer that we do not respond by email, for example because other people have access to your email account. If so, we're happy to respond by another method. We'll agree this with you either by telephone or in writing via post.

If you do want to use email

If you would like to use email as one of the ways HMRC will contact you, we'll need you to confirm in writing by post or email:

- that you understand and accept the risks of using email
- that you're content for financial information to be sent by email
- that attachments can be used

If you are the authorised agent or representative we'll need you to confirm in writing by post or email that your client understands and accepts the risks.

Please also:

- send us the names and email addresses of all people you would like us to use email with - you, your staff, your representative, your agent, for example
- confirm you have ensured that your junk mail filters are not set to reject and/or automatically delete HMRC emails

How we use your agreement

Your confirmation will be held on file and will apply to future email correspondence. We'll review the agreement at regular intervals to make sure there are no changes.

Opting out

You may opt out of using email at any time by letting us know.

More information

You can find more information on HMRC's privacy policy. Go to www.gov.uk and search for 'HMRC Privacy Notice'.



The Human Rights Act and penalties

Article 6 of the European Convention on Human Rights, which was incorporated into British law through the Human Rights Act 1998 gives you certain rights when we're considering whether to charge certain types of penalties.

We'll ask you to read this factsheet if we believe these rights may apply to you and we need your help to work out whether to charge you a penalty.

This factsheet is one of a series. For the full list of factsheets in the series, go to www.gov.uk and search for 'Compliance checks factsheets'.

If you need help

If you have any health or personal circumstances that may make it difficult for you to deal with us, please tell the officer that's contacted you. We'll help you in whatever way we can. For more details, go to www.gov.uk/get-help-hmrc-extra-support

You can also ask someone else to deal with us on your behalf, for example, a professional adviser, friend or relative. We may however still need to talk or write to you directly about some things. If we need to write to you, we'll send a copy to the person you've asked us to deal with. If we need to talk to you, they can be with you when we do, if you prefer.

What your rights under Article 6 mean for you when we're considering penalties

We always welcome your co-operation with our compliance check and in establishing the right liabilities. This includes whether any penalties may be due. The extent to which you co-operate with us and provide us with information is entirely your choice.

When we're considering penalties you've the right under Article 6 not to answer our questions. This is sometimes called the right not to self-incriminate or the right to silence. This right does not cover information or documents that already exist. This means that you must give us the information or documents that already exist, if we've a legal right to ask for them.

When making a decision about how much you're going to co-operate with us, you've the right to get help from a professional adviser. If you do not already have an adviser, you may want to consider consulting one.

You've the right to have the matter of penalties dealt with without unreasonable delay. We'll normally tell you whether any penalties are due once we've agreed the tax position with you. If we cannot agree the tax position, we'll send you an amendment or assessment of any additional tax we believe is due. If we consider that a penalty is also due, we'll send you an assessment of the penalty. The assessment will be based on the additional tax.

If we charge you a penalty, you've the right to ask for a review or to appeal. You also have the right to ask for your review or appeal against both the tax and the penalty decisions to be considered together. Our factsheet HMRC1, 'HM Revenue and Customs decisions – what to do if you disagree', explains what to do if you want to ask for a review, or to appeal. You can find more information about tribunals on the tribunal's website. Go to www.gov.uk/government/organisations/hm-courts-and-tribunals-service/about

You've the right to apply for publicly funded legal assistance or legal aid. In some circumstances, funding may be available to help you bring certain appeals before the tribunal. If you're going to appeal against a penalty assessment, you may want to check whether your case qualifies and what help may be available. We've no involvement in decisions about if your case will qualify. You can find details of where to get information below.

If there's anything you do not understand about these rights or what they mean for you, please tell the officer who is dealing with the compliance check straightaway.

Funded legal assistance

You can find out more details about funded legal assistance or legal aid in:

- England and Wales by going to the Civil Legal Advice website at www.gov.uk/civil-legal-advice or by phoning 0345 345 4345
- Scotland by going to the Scottish Legal Aid Board website at www.slabb.org.uk or by phoning 0131 226 7061
- Northern Ireland by contacting a solicitor who's a member of the Law Society of Northern Ireland, go to www.lawsoc-ni.org

You can also get more details from Citizens Advice or you can apply for funded legal assistance or legal aid through a solicitor anywhere in the UK.

Our privacy notice

Our privacy notice sets out the standards that you can expect from us when we ask for information or hold information about you. Go to www.gov.uk and search for 'HMRC Privacy Notice'.



Penalties for inaccuracies in returns and documents

This factsheet tells you about penalties we may charge if you have sent us an inaccurate return or other document. It's one of a series of compliance checks factsheets. For the full list, go to www.gov.uk and search for 'HMRC compliance checks factsheets'.

If you need help

If you have any health or personal circumstances that may make it difficult for you to deal with us, please tell the officer that's contacted you. We'll help you in whatever way we can. For more details, go to www.gov.uk/get-help-hmrc-extra-support

You can also ask someone else to deal with us on your behalf, for example, a professional adviser, friend or relative. We may however still need to talk or write to you directly about some things. If we need to write to you, we'll send a copy to the person you've asked us to deal with. If we need to talk to you, they can be with you when we do, if you prefer.

When we may charge you a penalty for an inaccuracy

We may charge you a penalty if you send us a return or other document that contains an inaccuracy, and the inaccuracy:

- results in tax being unpaid, understated or over-claimed
- was careless, deliberate or deliberate and concealed (we refer to these as 'behaviours' which are explained later in this factsheet)

If you ask someone else, such as an employee or adviser, to do something on your behalf, you must do as much as you can to make sure that an inaccuracy does not occur. If you do not do this, we may charge you a penalty.

When we will not charge you a penalty for an inaccuracy

We will not charge you a penalty for an inaccuracy if you took reasonable care to get things right, but your return or document was still wrong. Some of the ways you can show that you took reasonable care include:

- keeping accurate records
- checking with a tax adviser or with us if you're not sure about anything

Disclosing an inaccuracy before we find it

If you tell us about an inaccuracy before you have any reason to believe that we've discovered, or about to discover the inaccuracy, we call this an 'unprompted disclosure'. If you tell us about an inaccuracy at any other time, we call it a 'prompted disclosure'.

Once we've started a check, a disclosure can only be unprompted if, exceptionally:

- it's about an unrelated inaccuracy
- you had no reason to believe that we could have found it during our check

The minimum penalty for an unprompted disclosure is lower than the minimum penalty for a prompted one.

If you send us a return or document that you believe is correct and you later find that it contains a careless inaccuracy, we may be able to reduce the penalty to nil if you make an unprompted disclosure.

What you can do to reduce any penalty we may charge

We can reduce the amount of any penalty we charge you depending on our view of how much assistance you gave us when you make a disclosure. We refer to this assistance as the 'quality of disclosure' or as 'telling, helping and giving'.

Examples of making a disclosure include:

- telling us about, or agreeing that there's something wrong and how and why it happened
- telling us everything you can about the extent of what is wrong as soon as you know about it
- telling and helping us by answering our questions in full
- helping us to understand your accounts or records
- helping us by replying to our letters quickly
- helping us by agreeing to attend any meetings, or visits at a mutually convenient time
- helping us by checking your own records to identify the extent of the inaccuracy
- helping us by using your private records to identify sales or income not included in your tax return
- giving us access to documents we've asked for without unnecessary delay
- giving us access to documents we may not know about, as well as those that we ask to see

We'll reduce the penalty by the maximum amount possible if you:

- tell us everything you can about any inaccuracy as soon as you know about it or you believe we're about to find it
- do everything you can to help us correct it

If you delay in making a disclosure, you may still be entitled to a reduction, but it will be smaller.

If we do not need any extra assistance from you, we'll give you some reduction for telling, helping and giving.

Letting us know about any special circumstances

If there are any special circumstances that you believe the officer dealing with the check should consider when working out the penalty, you should let them know straightaway.

How we work out the amount of a penalty

There are 8 stages in working out the amount of any penalty. Each stage is explained in more detail below.

1 Working out the amount of the potential lost revenue (PLR)

The penalty is a percentage of the PLR. PLR is the amount that arises as:

- a result of correcting an inaccuracy in a return or document
- an incorrect repayment
- an incorrect claim

The officer dealing with the check will explain how this is worked out. There are different rules about calculating the PLR where there are group relief, losses, repayments, or accounting timing issues resulting in delayed tax. If you need to know more, please ask the officer dealing with the check.

2 Determining our view of the 'behaviour'

When there's an inaccuracy, we'll work with you to find out what caused it. We refer to this as the 'behaviour'. The type of behaviour will affect whether we charge a penalty and the amount of the penalty. There are 4 different types of behaviour.

Reasonable care

Everyone has a responsibility to take reasonable care over their tax affairs. What 'reasonable care' is will depend on each customer's abilities and circumstances.

If there was anything about your health or personal circumstances that made it difficult for you to take reasonable care, please tell the officer that is carrying out the check. Telling them will mean that they can take this into account when considering whether you took reasonable care.

If you took reasonable care to get things right but your return or document still contained an inaccuracy, we will not charge you a penalty.

Some of the ways you can take reasonable care include:

- keeping enough records to make accurate tax returns
- keeping those records safe
- asking us or a tax adviser if you're not sure about anything and following any advice given

Careless

This is where you failed to take reasonable care to get things right.

Deliberate

This is where you knew that a return or document was inaccurate when you sent it to us. Examples of deliberate inaccuracies include deliberately:

- overstating your business expenses
- understating your income
- paying wages without accounting for Pay As You Earn and National Insurance contributions

Deliberate and concealed inaccuracies

This is where you knew that a return or document was inaccurate and you took active steps to hide the inaccuracy from us, either before or after you sent it to us. An example of taking active steps to conceal an inaccuracy is where you create a false invoice to cover a non-existent stock purchase.

3 Deciding whether the disclosure was unprompted or prompted

This determines the minimum penalty percentage that we can charge. This is explained in more detail in the section of this factsheet titled 'Disclosing an inaccuracy before we find it'.

4 Deciding the range that the penalty falls within

The penalty percentage falls into one of 6 ranges. The range it falls into depends on the type of behaviour and whether it was a 'prompted' or 'unprompted' disclosure. The following table shows the 6 penalty ranges.

| Type of behaviour | Unprompted disclosure | Prompted disclosure |
|--------------------------|-----------------------|---------------------|
| Reasonable care | No penalty | No penalty |
| Careless | 0% to 30% | 15% to 30% |
| Deliberate | 20% to 70% | 35% to 70% |
| Deliberate and concealed | 30% to 100% | 50% to 100% |

5 Working out the reductions for the quality of disclosure (also referred to as 'telling, helping and giving')

The reduction we give depends on how much assistance you give us. For:

- telling we give up to 30%
- helping we give up to 40%
- giving access to records we give up to 30%

When we work out the quality of disclosure, we'll also consider how long it's taken you to disclose the inaccuracy. If it's taken you a long time, (such as 3 years or more), to make a disclosure, we'll usually restrict the maximum reduction we give for the quality of disclosure to 10 percentage points above the minimum of the penalty range. This means you will not benefit from the lowest penalty percentage that's normally available.

6 Working out the penalty percentage rate

The penalty percentage rate is determined by the penalty range and the reduction for the quality of disclosure.

Example

We found a careless inaccuracy that the customer had not told us about before we started our check. When we told them about the inaccuracy, they agreed with us. This was a prompted disclosure.

The penalty range for a careless inaccuracy with a prompted disclosure is 15% to 30% of the PLR.

The reduction for quality of disclosure (telling, helping and giving) was 70%.

Steps

To work out the penalty percentage rate, we first work out the difference between the minimum and maximum penalty percentages.

We then take off the percentage reduction from the maximum penalty percentage we can charge.

This gives us the penalty percentage rate.

Calculation example

$$30\% \text{ minus } 15\% = 15$$

$$15 \times 70\% = 10.5\%$$

$$30\% \text{ minus } 10.5\% = 19.5\%$$

7 Working out the amount of the penalty

To work out the amount of the penalty, we multiply the PLR by the penalty percentage rate. In the example above, the PLR is £3,000. This means the penalty is £585 ($£3,000 \times 19.5\% = £585$).

8 Considering other reductions

After working out the amount of the penalty, we then take into account any other reductions that are necessary. This then gives the amount of penalty that we'll charge.

How we can suspend a penalty

We can suspend a penalty for a careless inaccuracy if we:

- can set conditions to help you avoid penalties in the future
- believe you can meet these conditions

We can suspend a penalty for up to a maximum of 2 years. Normally the suspension period will be as short as possible to allow you to meet the conditions. If we suspend your penalty, you'll not have to pay it if you meet the conditions, unless you become liable to another inaccuracy penalty during the suspension period.

During the suspension period you must make sure you do not send us any other returns that contain inaccuracies. If you do, this may make you liable to another inaccurate penalty during the suspension period. If you become liable to another inaccuracy penalty during the suspension period, you'll have to pay the previously suspended penalty.

You can find more information about this in factsheet CC/FS10, 'Suspending penalties for careless inaccuracies in returns or documents'. Go to www.gov.uk and search 'CC/FS10'. We cannot suspend penalties for any other type of behaviour.

How we tell you about a penalty

We'll write to you to tell you how much the penalty is and how we've worked it out. If there's anything about the penalty that you do not agree with, or if you think there is any information we have not already taken into account, you should tell us straightaway.

After taking account of anything you have told us, we'll then either:

- send you a penalty assessment notice
- invite you to enter into a contract with us to pay the penalty, together with the tax and interest

In certain circumstances you may also have to pay interest on the penalty if you do not pay it on time.

When a company officer may have to pay some or all of a company's penalty for a deliberate inaccuracy

A company officer may have to pay some or all of the company's penalty if the penalty is due to their actions, and one or more of the following applies:

- they have gained, or attempted to gain, personally from a deliberate inaccuracy
- the company is, or we believe it's, about to become insolvent - even if the officer did not gain personally from the deliberate inaccuracy

If the company pays the penalty, we'll not ask the individual officers to pay.

A company officer is a director, shadow director, company secretary or manager of a company, or a member of a limited liability partnership.

If you have deliberately done something wrong

We may carry out a criminal investigation with a view to prosecution if you have deliberately done something wrong, such as:

- given us information that you know is not true, whether verbally or in a document
- dishonestly misrepresented how much tax you owe, or claimed payments you're not entitled to

Managing serious defaulters

If you deliberately got your tax affairs wrong, and we find this during the check, we may monitor your tax affairs more closely. We have an enhanced monitoring programme called 'managing serious defaulters'. For more information, read factsheet CC/FS14, 'Managing serious defaulters'. Go to www.gov.uk and search for 'CC/FS14'.

Publishing details of deliberate defaulters

We may publish your details if you deliberately got your tax affairs wrong, but we'll not do this if we've given you the maximum penalty reduction. For more information, read factsheet CC/FS13, 'Publishing details of deliberate defaulters'. Go to www.gov.uk and search for 'CC/FS13'.

If you disagree

If there's something that you do not agree with, please tell us.

If we make a decision that you can appeal against, we'll write to you about the decision and tell you what to do if you disagree. You'll usually have 3 options. Within 30 days, you can:

- send new information to the officer dealing with the check and ask them to take it into account
- have your case reviewed by an HMRC officer who has not been involved in the matter
- arrange for an independent tribunal to hear your appeal and decide the matter

Whichever you choose, you may also be able to ask for an HMRC specialist officer to act as a neutral facilitator to help resolve the dispute. We call this 'Alternative Dispute Resolution' (ADR).

ADR is only available for disputes that relate to particular tax areas. The officer dealing with the check will tell you if ADR is available for your dispute. For more information about appeals and ADR, read factsheets:

- HMRC1, 'HM Revenue and Customs decisions – what to do if you disagree'
- CC/FS21, 'Alternative Dispute Resolution'

Go to www.gov.uk and search for 'HMRC1' or 'CC/FS21'.

Your rights if we're considering penalties

The European Convention on Human Rights gives you certain important rights. If we're considering penalties, we'll tell you. We'll also tell you that these rights apply and ask you to confirm that you understand them. These rights are that:

- if we ask you any questions to help us decide whether to charge you a penalty, you have the right not to answer them
- the amount of help that you give us when we're considering penalties is entirely a matter for you to decide
- when deciding whether to answer our questions, you may want to get advice from a professional adviser – particularly if you do not already have one

- if you disagree with us about any penalties we believe are due, you can appeal
- you have the right to apply for funded legal assistance for dealing with any appeal against certain penalties
- you're entitled to have the matter of penalties dealt with without unreasonable delay

You can find full details about these rights in factsheet CC/FS9 'The Human Rights Act and penalties'. Go to www.gov.uk and search for 'CC/FS9'.

Which taxes and tax periods these penalty rules apply to

These penalty rules apply to the following taxes for returns or documents that were due to be sent to us on or after 1 April 2009, and relate to a tax period beginning on or after 1 April 2008

| | |
|--|------------------------------------|
| Capital Gains Tax | National Insurance Classes 1 and 4 |
| Construction Industry Schemes | Pay As You Earn (PAYE) |
| Corporation Tax | VAT |
| Income Tax (including Self Assessment) | |

These penalty rules apply to the following taxes for returns or documents that were due to be sent to us on or after 1 April 2010, and relate to a tax period beginning on or after 1 April 2009

| | |
|--|---|
| Aggregates Levy | Insurance Premium Tax |
| Air Passenger Duty | Landfill Tax |
| Alcohol Duty | Lottery Duty |
| Amusement Machine Licence Duty (up to 31 January 2013) | Petroleum Revenue Tax |
| Bank Payroll Tax | Pool Betting Duty |
| Bingo Duty | Remote Gaming Duty |
| Climate Change Levy | Soft Drinks Industry Levy (from 6 April 2018) |
| Excise duties (Holding and Movements) | Stamp Duty Land Tax |
| Gaming Duty | Stamp Duty Reserve Tax |
| Hydrocarbon Oils Duty | Tobacco Duty |
| Inheritance Tax | |

These penalty rules apply to the following taxes for returns or documents that relate to the following periods

National Insurance Class 1A for P11D(b) (returns for the tax year ended 5 April 2011 and later years).

Machine Games Duty (for tax periods beginning on or after 1 February 2013).

Annual Tax on Enveloped Dwellings (for tax periods beginning on or after 1 April 2013).

Apprenticeship Levy (for tax years beginning on or after 6 April 2017).

Soft Drinks Industry Levy (for periods beginning on or after 6 April 2018).

Digital Services Tax (for periods beginning on or after 1 April 2020).

More information

Our privacy notice

Our privacy notice sets out the standards that you can expect from us when we ask for information or hold information about you. Go to www.gov.uk and search for 'HMRC Privacy Notice'.

If you are not happy with our service

Please tell the person or office you've been dealing with. They'll try to put things right. If you are still not happy, they'll tell you how to make a formal complaint.