Powers of Attorney: request for evidence

General Features

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The Low Incomes Tax Reform Group has approached HMRC to seek an understanding of the way powers of attorney are dealt with by the department. HMRC have now asked us to provide evidence of any good or bad experiences in connection with powers of attorney.

In many cases, a power of attorney is activated at a time of crisis and LITRG is keen to ensure that any processes are as easy as possible. We had received some queries to the LITRG website where it was clear a power of attorney had been accepted for dealing with one part of a taxpayer's tax affairs, but not with another. This meant HMRC had asked for a power of attorney to be sent to them again. In addition, some of our querists believed that where a power of attorney had been accepted by the Department for Work and Pensions, for example, the two departments should have 'shared' the document.

Evidence

In order to respond to HMRC's request for evidence of how the department deals with powers of attorney, we would like to receive your suggestions, comments and any examples you choose to share, suitably anonymised. Feedback on good experiences, as well as bad, is very welcome. In particular, we would welcome responses to the following questions:

- HMRC look at each power of attorney separately to ensure that it confers on the attorney the necessary power to act. They distinguish between powers of attorney that are for a limited time or scope and those that are more wide-ranging. Have you or your clients experienced any issues in this area?
- Have you or your clients had to send multiple copies to HMRC? Were you provided with a rationale for that?

- How have you submitted powers of attorney – by posting to HMRC the original or a certified copy? Alternatively, have you been able to submit them electronically, for example by uploading a copy with an online tax return submission?
- After a power of attorney has been accepted, does all HMRC correspondence go to the attorney, or does some still go the individual for whom the power of attorney is in place? As agent, how do the procedures work for you?
- Would you support a scheme (similar to the Tell Us Once system in place when a person dies) where a power of attorney could be exhibited to one arm of government and then 'shared' with other departments on a 'need to know' basis?
- Have you experience of cases where a power of attorney has been rescinded?

Please send your comments to Gillian Wrigley.