Promoters of tax avoidance schemes (POTAS) – update

Management of taxes

01 November 2015

HMRC and LITRG respond to the Ministry of Justice consultation

Since our article, ‘Promotors of tax avoidance schemes (POTAS) update’ (Tax Adviser, July 2015) we have met HMRC for a second time to discuss their communication of messages to tax agents about how the POTAS legislation could affect them.

In July we mentioned the ‘introducer’ letters being sent to agents whom HMRC had identified as having clients involved in avoidance schemes. Further letters have been sent since and more are due to be issued in the months ahead. The CIOT provided comments to HMRC on the wording of the draft letters and incorporated several of the organisation’s suggestions.

HMRC now want to explain more about the implications of POTAS for agents and their clients. A webinar is planned for 1pm on 5 November. Details will be confirmed by HMRC nearer the time. The working title is: What a tax agent needs to know about POTAS? HMRC say it will cover:

> ‘The profile of tax avoidance, and HMRC’s response to it, has been raised in recent years. HMRC want to use this webinar to both summarise what POTAS means for you and your clients, and address some of the common questions and issues you might have.’

The webinar is not aimed at scheme promoters and will be of interest to agents who may not appreciate the wider implications of POTAS. As soon as CIOT has firm details it will publicise them on its website.