Moving on

General Features



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After 15 years at the helm of TaxAid, *Rosina Pullman* is stepping down and handing on the baton. In this article she reflects on some of the people she has met and who TaxAid has helped

Key Points

What is the issue?

TaxAid helps low income tax payers move on with their lives.

What does it mean to me?

Those in the profession have the opportunity to change lives for the better.

What can I take away?

By donating you can help support vulnerable people. You can donate here: www.bridge-the-gap.org.uk.

In the past 15 years around 100,000 people, some very vulnerable, have had their lives improved – indeed, in some cases, turned around – because TaxAid was able to help them. These are some of their stories. There is a common thread: the spiral descending into a devastating tax problem rarely starts with tax. There will often be another underlying problem in their life. Tax trouble is often a symptom, and adds fuel to the fire. However, resolving the tax element can very often set them back on the path to better health, relationships and work.

Being human, people of course may fail in their obligations, and on occasion be failed by poor services of rogue ‘accountants’ or employers or by HMRC. But if there is any fault to be attributed, it is that the tax system is too complex, not least for those who ‘find themselves’ as self employed and struggle with limited literacy or poor mental health when handling their own tax matters. It is for these reasons that there is a continuing need for the tax advice charities as a safety net.

One particular tragic case illustrates how an enquiry can be botched by an individual. Harry was severely mentally ill – to such an extent that his marriage had broken down. He had been subject to an enquiry that he had tried to respond to himself, leading himself into deeper trouble. Ultimately he was made homeless, in the years awaiting final resolution of his £70,000 determination. TaxAid’s advisers were finally called in and took up the case. HMRC agreed our careful reassessment of £1,700 tax due for inappropriate expenses claims. Although resolution came too late to save his haulage business, he rang us last week to tell us that he has a PAYE job and is back together with his wife.

Particularly rewarding are the cases where we can help people when they are vulnerable to ‘buy’ a bit of time to enable them to get their lives back on track.

Laura was a young woman highly traumatised by a violent rape. It took us several anguished years of working with her as we wrestled between her inability to cooperate due to mental illness (brought on by the rape) and our needing her cooperation to respond to outstanding tax returns. The particular challenge was that she had equity in her flat, and understandably, was desperate to avoid losing her home. Although HMRC are normally reluctant to do so, in this case they very helpfully agreed to a voluntary charge on the property, an outcome that eventually enabled Laura to get back to her dress-making business.

We haven't quite reached that stage in the years of working with Eva, but she is young and we hope will find resilience. She came to us when she left prison for committing Tax Credit fraud, and is the first to acknowledge that she has destroyed her career as an aspiring lawyer. Sadly she now seems determined to destroy her life, so that we have had occasions when we have called emergency services when she has overdosed or self-harmed. We initially helped her with outstanding tax returns that had accumulated while in prison. She now subsists on rental income from her property, but we are suggesting to her how she might help others with accessing online information.

A common misperception is that our advice service is about getting people off paying their tax. That's not what TaxAid is about. Chrissie's case was yet another familiar story of someone self-employed who didn't have the resources to get out of trouble when her 'accountant' mislead her about what were – or not – allowable expenses. As a website designer she had had a couple of good years. But then work dried up and she found herself with a tax debt of £9,000. HMRC agreed a settlement of £300 a month, and although she has struggled, she has eventually cleared it – and in the meantime learnt from TaxAid how to complete her own tax returns accurately going forward!

We are particularly vital as a service compensating for low-income taxpayers' inability to meet the exacting standards expected of those in self employment. Darren's case was a particular challenge. As an enterprising young father living in rural East Anglia he started up a window cleaning round. Unfortunately he found himself subject to an enquiry when his tax return raised questions related to his cash income. He had been turned out of the family home in the belief that he must be a criminal, and was living in his car by the time that he contacted TaxAid.

We needed to provide evidence that he charged only £2.50 per hour for his window cleaning – and indeed to show how he could live on income below the Personal Allowance. Proving a negative is a huge challenge but we pieced together his income, expenditure and day to day activities, including delivery and collection of children to school and the miles needed to drive his round. But it wasn't until we tracked down the warden at some assisted housing and found that she had kept a meticulous notebook of hours worked and the £2.50 payments from her elderly residents that the enquiry was settled with HMRC with no adjustment.

Even more encouragingly, Darren has now signed up to take a social worker foundation course at his local college because of his experience of the need for support when finance and family is at risk.

The client who illustrates for me personally the reasons why TaxAid's work needs to continue to effect life-changing opportunities has to be David. David, because of his courage in coming forward and telling his story in film of how he fell from being an Oxbridge graduate and a film producer on a six-figure income to living on the streets with a life-limiting illness. See extracts of his story at on the Bridge the Gap website.

It has been my privilege to work with the many dedicated people who have made TaxAid what it is today. I am now handing that over to my successor, Gary Millner, who is to be CEO of both TaxAid and the profession's other tax advice charity, Tax Help for Older People. He will have the committed support of the CIOT, of our patrons, ambassadors and trustees and those who continue to work tirelessly as staff and volunteers.

I reflect that we could not have touched the lives of 100,000 people without those who believe – and fund – our work. The tax advice charities need the support of the profession more than ever before, which is why we have launched the Bridge the Gap campaign. I finish with the words of a client whose mental illness had prevented him from contacting HMRC when his business failed.

'I really can not thank you enough for your help over the past three years. The peace of mind you and your colleagues at TaxAid are able to give to people like myself who, through no fault of their own, find themselves at a point and time in their lives where they feel they are no longer able to cope is truly priceless. You took a huge weight off my shoulders at a very difficult time in my life and for that I will always be very grateful.'