Promoters of tax avoidance schemes (POTAS): update and communication messages from counter avoidance

Management of taxes

01 October 2016

The CIOT has met HMRC to discuss its communication of messages to tax agents about the POTAS legislation and associated counter-avoidance matters.

POTAS communications

Articles in *Tax Adviser* in July and November 2015 (both entitled 'Promoters of tax avoidance (POTAS) – an update') discussed the letters being sent to agents who HMRC had identified as having clients that had taken part in avoidance schemes. In 2016 a further list of agents has been identified to receive letters. The letters are similar to those sent in 2015 but have been refreshed to include updated links and minor amendments.

Although agents are not required to reply to the letters, and any response is voluntary, members should be aware that, if they do not respond, they will receive reminders from HMRC, the tone of which become more forceful. We appreciate that some members receiving the letters will have had no involvement in promoting and selling tax avoidance schemes to their clients and have not replied for that reason. However, a reply to HMRC making it clear that the firm has had no involvement should close the correspondence so that the further reminders are not received.

DOTAS

HMRC's counter avoidance team encouraged the professional bodies to remind members about the changes to DOTAS particularly in relation to the Finance Act

2015 and the changes to the DOTAS hallmarks in February 2016. Refer to articles in *Tax Adviser* that covered these changes, in particular Jon Preshaw's in March 2015 and Margaret Curran's on the draft Hallmark regulations.

Information available to our members

HMRC's counter avoidance team took the opportunity to remind us about the information which is potentially of use to members, and can be accessed on GOV.UK.