

New Disclosure Opportunity

NDO may be the last chance for anyone with undisclosed tax liabilities linked to an offshore account or asset to come forward and settle their affairs with HMRC at reduced penalty rate.

HMRC has indicated that over 300 banks have been ordered to provide details about their UK customers who hold accounts outside the UK, including in the Channel Islands, India, Singapore, etc. Some banks have informed their customers that they have already provided the information to HMRC.

What's covered?

The disclosure should incorporate all undeclared tax liabilities for the last 20 years and should not be restricted to offshore issues.

Penalties

A fixed penalty of 10% of the taxes/duties underpaid will apply.

There is no penalty where the underpaid taxes/duties are less than £2,000.

A higher penalty of 20% may apply if previously contacted by HMRC during a similar Offshore Disclosure Facility in 2007.

Prosecution

There is no guarantee of immunity from prosecution (although HMRC have said that prosecution is extremely unlikely where full disclosure is made).

Key dates

30 November 2009 to notify HMRC of intention to make a disclosure

31 January 2009 to disclose on paper using prescribed forms with payment

12 March 2010 to disclose online with payment

HMRC have stated that if no disclosure is made and HMRC subsequently discovers a liability that should have been disclosed under NDO, a penalty of at least 30% and upto 100% will be levied. Such individuals could face the risk of criminal prosecution.

We have experience in helping persons to make disclosures to HMRC and in ensuring that taxpayers only pay the correct amount of taxes.

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