

THE TAX HEALTH PLAN (THP)



HM Revenue & Customs announced a tax “amnesty” for medical professionals on 11 January 2010. In the days following their announcement HMRC have confirmed, in not so many words, that the medical profession should not feel “targeted”, as HMRC plan to provide amnesties for other professionals in the fullness of time.

Thus there is no evidence that HMRC believe any particular area of the medical profession is susceptible to tax anomalies, but it is presumed that they believe private fees could be an area of weakness. HMRC have since confirmed that dentists can utilise the THP. Other groups such as vets and opticians are not mentioned. If they are interested, HMRC could be approached on a no names basis initially.



We are a team of independent Specialist Tax Advisors who work with:

- Accountants
- Solicitors
- Businesses
- Individuals

Further details can be found on our website:

www.eavesandco.co.uk

Key Features

- **HMRC say they will gain access to the records of payments by various sources including NHS Trusts, Private Hospitals and medical insurers**
- **Full disclosure of income for the last 20 years must be made for the disclosure to qualify under the THP**
- **Disclosure under the THP restricts penalties on the tax underpaid to 10% (under normal circumstances penalties could be up to 100% on underpaid tax)**
- **HMRC must be notified of an intention to disclose prior to 31/3/10**
- **Full disclosure of income and payment of tax to be made by 30/6/10**
- **No penalties will be due if the tax underpaid is £1,000 or less**

Help

If any medical professionals are unsure whether they have met their full UK tax compliances responsibilities then Eaves & Co are happy to *listen* carefully and provide an *independent* and *objective* view. We will be happy to assist by advising whether a disclosure is necessary.

If disclosure is necessary then we will also look carefully at the following particular areas:-

- Ensuring all available reliefs and elections have been considered to mitigate tax
- Consider whether any tax due is down to innocent errors, which may remove the liability to a penalty and restrict disclosures to just the past six years

If preferred, the initial discussion with us can be on an anonymous basis.

Please note that there are other features and conditions of the THP and this summary does not constitute advice, which should be taken with regard to the specific facts of any case