

Please Note: This communication is for informative purposes and may not affect you



We want to keep you fully informed of the latest news and developments that could impact you.

The articles are here (also attached as PDFs):

[Tax avoidance clampdown may bankrupt thousands](#)

[View Article 1](#)

[Nurses are next on taxman's hitlist](#)

[View Article 2](#)

Please take the time to read these 2 articles in full, and the comments made.

In summary, **HMRC** are stepping up their attempts to crack down on non-compliant payment methods.

They are targeting an **estimated 100,000 contractors** who have used “disguised remuneration” and similar schemes that avoided paying national insurance or income tax in the 2000s.

Most of the contractors work in IT or healthcare, and the schemes often include an employer making payments to a trust that then makes an interest-free “loan” to the contractor.

The taxman has already written thousands of letters to people who have used these schemes demanding payment of tax and adding hefty penalty charges and interest rates to the amounts owed, often more than doubling the value of the debt.

This would clearly be very worrying for anyone impacted.

The first article identifies the nursing profession and highlights the dangers of loan schemes.

Dr Iain Campbell, the secretary general at the Independent Health Professionals Association, which represents freelance workers, says he was undertaking a survey of how many NHS professionals have signed up to loan-based companies. "My advice is simple: steer clear of all of them. I would never go anywhere near these things. Full stop. You're storing up a disaster for yourself down the line."

HMRC have introduced a new loan charge in April 2019, will add a sizeable financial penalty to any tax due. Anyone believed to have been involved in a loan-based scheme must register with HMRC by May 31 and agree to a settlement by April 5, 2019, to avoid the charge.

If you believe you may have been involved with such a scheme, we strongly recommend you take out your own advice and act accordingly.

It is clear that HMRC are now actively targeting this area as a way of raising tax going back over a number of years in some instances.

Many contractors are choosing to be paid direct by PAYE to avoid any such risks.

If you would like to discuss this further, please speak to your consultant or contact candidateservices@ywrec.com