

# **2A - PERSONAL TAX – INDIVIDUALS, SOLE TRADERS AND COUPLES**

## **SCHEDULE OF SERVICES**

This schedule should be read in conjunction with the engagement letter and the terms of business.

### **1. RESPONSIBILITY AND SCOPE FOR PERSONAL TAX SERVICES**

#### **1.1. Recurring compliance work**

- 1.1.1. We will prepare your self-assessment tax returns together with any supplementary pages required from the information and explanations that you provide to us. After obtaining your evidenced approval, we will submit your returns to HM Revenue & Customs (HMRC).
- 1.1.2. We will prepare your business accounts in accordance with [generally accepted accounting practice] [the cash-basis election that you have made] from the books, accounting records and other information and explanations provided to us by you or by others on your behalf.
- 1.1.3. We will calculate your income tax, national insurance contributions (NIC) and any capital gains tax liabilities and tell you how much you should pay and when. We will advise on the interest and penalty implications if tax or NIC is paid late. We will also check HMRC's calculation of your tax and NIC liabilities and initiate repayment claims if tax or NIC have been overpaid.
- 1.1.4. We will advise you on possible tax-return-related claims and elections arising from information supplied by you, other than as regards tax credits and universal credit (see below). If instructed by you, we will make such claims and elections in the form and manner required by HMRC.
- 1.1.5. We will review PAYE notices of coding provided to us and advise accordingly.

#### **1.2. Excluded, ad hoc and advisory work**

- 1.2.1. The scope of our services provided to you will be only as set out above and all other services which we may offer are excluded. If you instruct us to do so, we will provide such other taxation, ad hoc and advisory services as may be agreed between us from time to time. These may be the subject of a separate engagement letter at our option. Where appropriate, we will agree with you a separate fee for any such work you instruct us to undertake. Examples of such work that you may wish to instruct us to undertake include:
  - a) advising on ad hoc transactions (for example the sale of assets);
  - a) advising on preparing accounts on the cash basis and helping you to make the requisite election;
  - b) dealing with any enquiry opened into your tax return by HMRC;

- c) preparing any amended returns which may be required and corresponding with HMRC as necessary;
- d) advising on the rules relating to and assisting with registration for VAT or equivalent non-UK taxes; and
- e) advising on tax credits and universal credit; these are, in effect, social security benefits, and your entitlement or otherwise will depend not only on your own circumstances but also on those of your household; we would require all relevant information to advise in this area.

1.2.2. If specialist advice is required, we may need to seek this from, or refer you to, appropriate specialists.

### **1.3. Changes in the law, in practice or in public policy**

1.3.1. We will not accept responsibility if you act on advice given by us on an earlier occasion without first confirming with us that the advice is still valid in the light of any change in the law, practice, public policy or in your circumstances.

1.3.2. We will accept no liability for losses arising from changes in the law (or the interpretation thereof), practice or public policy that are first published after the date on which the advice is given.

### **1.4. Your responsibilities**

1.4.1. You are legally responsible for:

- a) ensuring that your self-assessment tax returns are correct and complete;
- b) filing any returns by the due date; and
- c) paying tax on time.

Failure to do any of the above may lead to penalties and/or interest.

1.4.2. Legal responsibility for approval of the return cannot be delegated to others. You agree to check that returns that we have prepared for you are correct and complete before approving them.

1.4.3. You are no less responsible for errors in unapproved returns, submitted on the basis of the information provided to and processed by us, than if you had confirmed your approval of the returns.

1.4.4. To enable us to carry out our work, you agree:

- a) that all returns are to be made on the basis of full disclosure of all sources of income, charges, allowances and capital transactions;
- b) to provide all information necessary for dealing with your affairs; we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
- c) to authorise us to approach such third parties as may be appropriate, for information that we consider necessary to deal with your affairs; and
- d) to provide us with information in sufficient time for your tax return to be completed and submitted by the due date following the end of the tax year; to do this, we need to

receive all relevant information by 31 August; if feasible, we may agree to complete your return within a shorter period but may charge an additional fee for so doing.

- 1.4.5. You will keep us informed of material changes in your circumstances that could affect your tax liability. If you are unsure whether the change is material, please tell us so that we can assess its significance.
- 1.4.6. You will forward to us HMRC statements of account, copies of notices of assessment, letters and other communications received from HMRC, in sufficient time to enable us to deal with them as may be necessary within the statutory time limits. Although HMRC have the authority to communicate with us when form 64-8 has been submitted, it is still essential that you let us have copies of any correspondence received, because HMRC are not obliged to send us copies of all communications issued to you.

#### 1.5. **You and your spouse/partner**

- 1.5.1. We will advise you and your spouse/partner on the basis that you are a family unit. You both agree that, in all matters relating to your or your spouse's/partner's tax and financial affairs, we may deal directly with either of you and we may discuss with either of you the tax liabilities and/or financial affairs of the other. If you wish to make any change to these arrangements at any time, please let us know.
- 1.5.2. In order for us to act for you as a couple in respect of a joint claim, you undertake that all instructions, information or explanations that either of you gives us will be on behalf of both of you, unless you specifically tell us otherwise. Similarly, if one of you signs a document, it will be on behalf of you both unless you instruct us to the contrary. If a conflict of interest should arise between you in relation to any matter to do with your joint claim or entitlement, we reserve the right to cease acting for both of you, or to advise one or other of you to obtain independent advice.