

TAX TASKFORCES

HM Revenue & Customs has announced another round of tax taskforces, to pursue those it sees as evasion and avoidance risks.

Previously, stallholders in London, taxi operators in Yorkshire and restaurants in the Midlands have been some of the groups targeted by the taxman. This time it has targeted lawyers in London, with the legal profession being one of the five high-risk trade sectors under investigation.

HMRC expects to bring in £3m by examining solicitors and barristers in London and £20m in total from this latest taskforce exercise.

One of the potential reasons for HMRC's investigation into London lawyers, put forward by tax advisors, is that (abusive) tax schemes might have enticed barristers and solicitors to invest. There is also the long-standing expense culture in the legal sector.....allegedly.



It would, however, be a huge leap to suggest that tax avoidance (legal) or tax evasion (illegal) is particularly spreading in the law sector. The taxman is perhaps demonstrating that he will pursue anyone and everyone, so if lawyers can be targeted, then accountancy is likely to part of the next taskforce investigation!