

## **Beware tax fraudsters cashing in on the PAYE fiasco, warns Winter Rule**

Truro based accountancy firm Winter Rule is warning taxpayers to be wary of fraudsters in light of the recent PAYE tax blunder – and to check they are not shortchanged by the taxman if they get a rebate.

Following the announcement that 5.7 million workers in the UK have paid the wrong amount of tax, more than a million people will be receiving unexpected tax demands in the coming weeks, while around four million are expected to get refunds.

There are now fears that scammers will try to take advantage of the situation by asking for personal bank details under the pretence of being from HM Revenue and Customs (HMRC).

John Endacott, tax partner at Winter Rule, is advising the public to be cautious of such scams.

He said: “There will be fraudsters seeking to take advantage of the PAYE shambles by trying to con people into passing on their bank details. In general, HMRC will only be contacting people by post and in no case will you be asked to disclose personal details.

“So if you receive any emails or phone calls claiming to be from HMRC, they should be ignored and don’t follow links to what will be bogus websites trying to capture personal information.”

John said another important point to understand is that the HMRC is only calculating refunds for the last two years. Many people are due refunds for earlier years but HMRC are not going to do anything about that.

John said: “This is a scandal that has been highlighted by the National Audit Office who calculate that there are 18.2m cases of overpaid tax from 2007/08 and before, affecting around 15m people.

“If you get a tax refund you should see a tax adviser as you may well be due more than HMRC calculates”.

For those facing an unexpected tax demand, Winter Rule has advised that they need to consider three key points:

- Why has an underpayment of tax arisen?
- What years does it relate to?
- Have you been given full credit for all reliefs due, including pension contributions, charitable donations, fixed sum allowances and age related allowances?

John concluded: "In some certain limited circumstances HMRC will have to write off tax demands, but we expect this to be pretty rare. Whatever happens, you will need to take action quickly as a key deadline for tax refunds comes up on 31 January, and we would urge people to seek professional advice if they are in any doubt."

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### **Notes to editors**

Winter Rule's reputation has been built on meeting and exceeding clients' expectations. Its team currently numbers 90, making it the largest practice based in Cornwall. The origin of the firm dates back to the 1920s but Winter Rule has been constantly evolving and developing its business to face tomorrow's challenges.

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