



# Business Records Checks - Smoke and Mirrors

The beginning of the new calendar year has brought familiar communication problems for HM Revenue & Customs (HMRC).

Just yesterday, it was widely reported in the national media that HMRC had responded positively to pressure from both the Federation of Small Businesses and MPs and promised it would only be proceeding with 'a limited number of Business Records Checks pilots', whilst a further strategic review takes place. In a statement, HMRC said:

*'The purpose of the review is to consider the overall aims of Business Records Checks, examine whether the current approach is the best way of achieving the policy objectives, and identify what changes are needed to ensure that the objectives are achieved.'*

HMRC was acting after receiving criticism of the burden it has been placing on small businesses with the launch of its Business Records Check initiative, against a backdrop of a sluggish economy and alleged big business 'sweetheart deals' with the likes of Goldman Sachs and Vodafone.

However, our ReSource Consultancy Team has been in contact with the HMRC Coleraine office over the last two days and discovered the reality is very different. The Unit at HMRC Coleraine makes the appointments and co-ordinates all of the Business Records Checks across the UK for the 120 dedicated staff and, as far as that office is concerned, it is business as usual.

Our ReSource Consultancy Team understands an internal HMRC email was sent to the team at Coleraine yesterday, drawing attention to the national statement, but that it did not instruct that any fewer visits should be booked. The Business Records Checks target is for 12,000 visits to be conducted by the end of this tax year; hardly a 'limited number' of 'pilots'!

Furthermore, it is understood that the Coleraine Unit is being visited this Friday by an HMRC Head Office team, to see how the Unit is performing and to check on progress towards the target.