

# Plumbers Arrested!

Five plumbers have been arrested by HM Revenue & Customs (HMRC) in London, Ringwood in Hampshire, West Ewell in Surrey, Twickenham in Middlesex and West Bromwich in the West Midlands.

John Pointing, Assistant Director, HMRC Criminal Investigation said:

*'These raids and arrests of 'ghosts' – people who do not declare income from the work that they do – are the culmination of months of work by HMRC.'*

He went on to say:

*'We provided a chance for those we have arrested, and the 600 we are investigating, to come forward voluntarily and put things right. These arrests send a clear message that HMRC will take action against those who choose not to come forward and pay the tax they owe.'*

The chance referred to was the Plumbers Tax Safe Plan (PTSP) Campaign, which was launched in March earlier this year. Plumbers, gas fitters and heating engineers were given until 31 May 2011 to register their intention to make a disclosure of undeclared income. The tax due on the undeclared income is due to HMRC by 31 August 2011. What is slightly surprising about these arrests is that they have been made before the final deadline has passed.

## Further raids planned

Pointing said further raids are to be expected across the UK, covering Yorkshire, Kent, Cambridgeshire, Tyne and Wear, the Midlands and South Wales.

His colleague, Mike Wells, HMRC Director of the Risk and Intelligence Service said:

*'These arrests are just the start. HMRC is still considering hundreds of further cases for criminal investigation in the plumbing and medical professions. Some people may have thought we were bluffing when we said we have information that we will use to prosecute tax evasion.'*

## Last chance

HMRC has left the PTSP disclosure route open to those in the plumbing industry who have undeclared income to disclose, but who have yet to come forward. HMRC is advising the individuals concerned to call 0845 600 4507 or visit the HMRC website at [www.hmrc.gov.uk/trades-disclosure](http://www.hmrc.gov.uk/trades-disclosure).

Anyone in this position should use this 'last chance' as soon as possible because the next raids are likely to be imminent, now that HMRC has begun them and has its staff in place.

Individuals found to have deliberately evaded tax can expect to be placed into the Managing Deliberate Defaulters scheme for a period of between 2 and 5 years. These arrests also serve as a reminder to those affected by the upcoming Campaigns – the Private Tuition & Coaching Campaign (PT&C), the e- marketplaces Campaign and Trades 2 Campaign – to make disclosures during the amnesty periods, or run the risk of a criminal prosecution in the most serious cases.

According to the Government, £45 billion is lost each year through unpaid taxes in the UK. A budget of £917 million has been made available to HMRC to tackle evasion and avoidance, with HMRC set a target to deliver additional tax revenue from compliance activity of £7 billion each year.

The Abbey Tax ReSource Consultancy Team has a wealth of experience dealing with criminal prosecution cases and can assist practitioners handling such enquiries. Please contact our marketing team on **0870 166 6270** or email [marketing@abbeytax.co.uk](mailto:marketing@abbeytax.co.uk) for more information.



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