

# Tax Investigation Insurance

## Insurance Product Information Document

This insurance is arranged by Hamilton Fraser, managed and provided by Arc Legal Assistance Limited and underwritten by AmTrust Europe Limited.

Arc Legal Assistance Ltd is authorised and regulated by the Financial Conduct Authority. Arc's Firm Reference Number is 305958.

AmTrust Europe Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority, financial services number: 202189.

This document summarises the key features of your insurance policy. It is not tailored to individual needs and so may not provide all the information relevant to your cover requirements. Complete pre-contractual and contractual information is provided in other documents.

### QUALIFYING CRITERIA

This insurance is available to a company, firm, partnership, organisation or individual with a rental income of up to £1,000,000 who is specifically named as an NRLA Landlord or Business member.

### WHAT IS THIS TYPE OF INSURANCE?

Tax Investigation Insurance provides insurance to cover up to £75,000 of professional expenses for an accountant or other appropriately qualified person to represent you in relation to HM Revenue & Customs Investigations, a VAT Dispute or an Appeal as detailed in this document, your policy wording and your insurance schedule.



#### What is insured?

**We will cover professional expenses in relation to:**

✓ **HM Revenue & Customs Investigations:**

- a) Correspondence, discussions, and meetings with the designated member and on the designated member's behalf in order to respond to the HM Revenue & Customs requests and allegations;
- b) Preparation and representation of the designated member at an HM Revenue & Customs Commissioners' Hearing and at an appeal against a decision following such a hearing; provided that:
  - i) The designated member was an existing member of the policyholder before the enquiry or dispute commenced, and, if necessary, the policyholder can provide documentary evidence to support this fact;
  - ii) Where a business is being investigated, the sole purpose of that business must be as a vehicle for providing services as a landlord or property agent;
  - iii) Insurers have consented to an appeal.

✓ **HM Revenue & Customs Aspect Investigations:**

- a) Correspondence, discussions, and meetings with the designated member and on the designated member's behalf in order to respond to the HM Revenue & Customs requests and allegations;
- b) Preparation and representation of the designated member at an HM Revenue & Customs Commissioners' Hearing and at an appeal against a decision following such a hearing; provided that:

The designated member was an existing member of the policyholder before the enquiry or dispute commenced, and, if necessary, the policyholder can provide documentary evidence to support this fact;

  - ii) Where a business is being investigated, the sole purpose of that business must be as a vehicle for providing services as a landlord or property agent;
  - iii) Insurers have consented to an appeal.



#### What is not insured?

**The policy does not provide cover for:**

**HM Revenue & Customs Investigations:**

- ✗ A claim where the enquiry or dispute commenced before you joined the NRLA.
- ✗ A claim where you do not have a 51% or greater chance of successfully disputing the revenue authority's decision or allegations and achieving a positive outcome.
- ✗ Any professional expenses incurred before the written acceptance of a claim.
- ✗ An enquiry under Section 60 of the VAT Act 1994 or matters handled by the National Investigations Service of HM Revenue & Customs and the Special Civil Investigation Offices and Special Investigation Section of HM Revenue & Customs.
- ✗ The defence of any criminal prosecution.
- ✗ Any dispute arising under the National Minimum Wage Act 1998 or the Tax Credits Act 2002.
- ✗ Any claim made where Income Tax Self Assessment Returns are submitted outside the statutory time limits and/or in a penalty position under S7 and/or S93 of the Taxes Management Act 1970, except where a Return is rendered within six months of the last filing date and HM Revenue & Customs accept that there has been a reasonable excuse for the delay.
- ✗ Any claim made where Corporation Tax Self Assessment Returns are submitted outside the statutory time limits and/or in a penalty position under Part II Schedule 18 Finance Act 1998.
- ✗ Any claim made where a Return submitted at the final filing date contains provisional figures in respect of all of the trading income and expenditure items.
- ✗ An investigation arising out of a voluntary disclosure made to HM Revenue & Customs in respect of omitted tax, NIC or VAT liabilities which become due as a result of a Designated Member's deliberate act.
- ✗ Taxes, fines, interest or any other duties or penalties imposed or assessed upon the Policyholder.

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### ✓ VAT Disputes:

- a) Correspondence, discussion, and meetings with the designated member and on the designated member's behalf in connection with the local review procedure in order to reach agreement with HM Revenue & Customs;
- b) Preparation and representation of the designated member at a VAT and Duties Tribunal;
- c) Preparation and representation of the designated member at an appeal against a VAT and Duties Tribunal decision provided that insurers have consented to an appeal.

- ✗ Any claim where the Professional Expenses are capable of being reimbursed under any other policy or certificate.
- ✗ The preparation of Self Assessment Returns, accounts, P11Ds, P35s, VAT returns or any other statutory returns.
- ✗ The Professional Expenses accrued in respect of any HM Revenue & Customs Investigation into a tax planning arrangement where the Anti Avoidance Intelligence Unit of HM Revenue & Customs has allocated a number for inclusion on the relevant Self Assessment Return.

### ⚠ Are there any restrictions on cover?

- ! **Excess:** You are responsible for the first £100 of any claim under the HM Revenue & Customs Aspect Investigations section of cover.
- ! **Territorial Limits:** The jurisdiction of the revenue authority conducting the HM Revenue & Customs Investigation or VAT Dispute must be within the United Kingdom only and does not include the Isle of Man or Channel Islands.
- ! **Reporting Period:** You must notify claims as soon as possible and within 180 days of becoming aware of the incident.
- ! **Proportionality:** Arc will only pay professional expenses which are proportionate to the amount in dispute. Expenses in excess of the amount in dispute will not be covered.

### 🌐 Where am I covered?

- ✓ The jurisdiction of the revenue authority conducting the HM Revenue & Customs Investigation or VAT Dispute must be within the United Kingdom only and does not include the Isle of Man or Channel Islands.

### 🤝 What are my obligations?

- You are required to immediately notify Arc of any potential dispute or circumstances which may give rise to a claim. If You are in doubt whether a matter constitutes a notifiable claim or circumstance, contact the Tax Helpline on 0344 770 1060 quoting "NRLA Tax Protection".
- You must supply, at your own expense, all of the information which we reasonably require to decide whether a claim may be accepted.
- You must supply all relevant information requested by the Designated Agent and Arc.

### 💰 When and how do I pay?

The cost of the Tax Investigation Insurance is included as part of your NRLA membership.

### ⌚ When does the cover start and end?

Your cover is included as part of your NRLA membership.

### 🛡 How do I cancel the policy?

This cover is provided automatically as part of your National Residential Landlord Association (NRLA) membership and cannot be cancelled in isolation. For details on how to cancel your NRLA membership please contact the NRLA on 020 7840 8937.

**Hamilton Fraser**

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Hamilton Fraser is a trading name of HFIS plc.  
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