

PERSONAL TAX CREDITS

The purpose of this schedule and the Standard Terms of Business is to set out the basis on which we are to act as accountants and advisors with regard to your personal tax credit affairs and to clarify our respective responsibilities in respect of that work.

This contract for our services to you was agreed as stated in **Key Facts**, which also specifies whether the *Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 (SI 2013/3134)* (Consumer Contracts Regulations 2013) apply.

Where the contract was agreed at our business premises then cancellation rights given to consumers under the Consumer Contracts Regulations 2013 do not apply.

As you fall within the legal definition of a consumer, the location where our contract was made or the communication method used in making the contract may mean that you have a right to cancel our contract within a set cancellation period under the Consumer Contracts Regulations 2013. If so, we provided you with a written notice of these rights and the set cancellation period with our initial engagement letter.

Because of the requirements of the Consumer Contracts Regulations 2013, it is our policy to not commence any work for you until the set cancellation period has expired, or we have received from you your express written agreement for us to start early.

In providing you with this schedule, our standard terms of business and, where applicable, the written notice of your right to cancel, we have complied with the provisions of regulations 9 to 14 and 16 of the Consumer Contracts Regulations 2013, as applicable.

1 Your responsibilities

1.1 You are legally responsible for:

- (a) Ensuring that all documents and information submitted to HMRC are correct, complete and on time; and
- (b) Ensuring that HMRC are informed promptly of any changes in your income or circumstances, or of any errors or omissions in any document sent to you by HMRC.

Failure to do this may lead to or exacerbate an overpayment, and may in certain cases give rise to penalties, and/or interest.

Legal responsibility for claims, renewals and other forms cannot be delegated to others. You agree to check that documents that we have prepared for you are complete before you approve them.

You are no less responsible for errors in unapproved claims, renewals and other forms, submitted on the basis of information provided to and processed by us, than if you had confirmed your approval of the claims, renewals and other forms.

1.2 If stated in **Key Facts**, you will be responsible for informing HMRC of any changes in circumstances during the year for which notification is mandatory (which generally must be done within 30 days of the change).

1.3 To enable us to carry out our work you agree:

- (a) That all claims and renewals are to be made on the basis of full disclosure of your income and circumstances;
- (b) To provide full information necessary for dealing with your affairs; we will rely on the information and documents being true, correct and complete and will not audit the information or those documents;
- (c) To authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs;

- (d) To provide us with information in sufficient time for your renewal forms to be completed and submitted by the due date following the end of the tax year. To do this, we need to receive all relevant information by the date specified in **Key Facts**.
 - (e) To provide us with information about changes of circumstance which must be reported to HMRC as soon as possible and in any event within sufficient time for us to tell HMRC within 30 days of the change. The changes which must be notified are listed at <https://www.gov.uk/changes-affect-tax-credits> (paper copy available on request).
- 1.4 You will keep us informed of material changes in your circumstances that could affect your tax credit entitlement. If you are unsure whether the change is material or not please let us know so that we can assess the significance. In particular, it is recommended that a record of working hours is maintained.
- 1.5 You will forward to us HMRC notices, statements of account, letters and other communications received from HMRC in time to enable us to deal with them as may be necessary within the requisite time limits. Although HMRC have the authority to communicate with us through the form 64-8, it is essential that you let us have copies of any correspondence received because HMRC are not obliged to send us copies of communications issued to you and in most cases will not do so. You should also keep a note of any telephone communication you have with HMRC' tax credits helpline, including the date and time of the call, and the name of the helpline operator(s).

2 Our responsibilities as accountants

- 2.1 We will prepare your tax credits claim form (TC600) and annual declaration (TC603D) from the information and explanations that you provide to us. After obtaining your approval and signature, we will submit your completed forms to HMRC.
- 2.2 We will calculate your entitlement to tax credits and check your tax credit award notices (TC602) and annual review (TC603R) on the basis of the information you have given us. We will advise you of any errors or omissions on the face of these documents and agree what action should be taken to inform HMRC.
- 2.3 If stated in **Key Facts**, we will inform HMRC on your behalf of any changes in circumstances during the year for which notification is mandatory (which generally must be done within 30 days of the change).
- 2.4 If instructed, we will deal with HMRC by telephone on any aspect of your tax credits affairs.
- 2.5 When your tax credit claim ends, we will help you prepare the forms and other paperwork which is expected by HMRC from the information and explanations you give us. After obtaining your approval and signature, we will submit the completed forms to HMRC.
- 2.6 Where you have instructed us to do so, we will provide such other tax credits ad hoc and advisory services as may be agreed between us from time to time. These may be the subject of a separate engagement letter. Where appropriate we will discuss and agree an additional fee for such work when it is commissioned by you. Examples of such work that we will not undertake unless you instruct us include:
- Advising you on your eligibility for working tax credit and/or child tax credit based on the information you give us about your household circumstances;
 - advising you of any possible claims or reliefs or other planning measures that may have a bearing on your tax credits entitlement including, but not limited to, gift aid, pension contributions, and trading loss reliefs;
 - explaining to you what you must report to HMRC, including the time limits for doing so, and what it would be in your interests to report to HMRC (but not obligatory for you to do);
 - assisting you with any tax credit examinations or enquiries raised by HMRC, or with any other communications with HMRC regarding your entitlement;



- advising you on the implications that any changes to your tax credit award might have for other aspects of your tax affairs;
- advising you on, and helping you claim, universal credit or other social security benefits; and
- in general, when considering your tax affairs, advising you of the tax credit implications of any proposed course of action.

2.7 Where specialist advice is required on occasions we may need to seek this from or refer you to appropriate specialists.

You and your spouse/partner, if relevant (see Key Facts)

- 3.1 A couple must claim tax credits jointly. A 'couple' broadly comprises spouses or civil partners who are not separated, or two people living together as husband and wife or as if they were civil partners.
- 3.2 Members of a couple are jointly and severally liable to repay overpaid amounts of tax credit – in other words, HMRC can recover an overpayment from either partner or from both partners in equal or unequal proportions.
- 3.3 Where we act for you as a couple in respect of a joint claim, we will advise you and your spouse or civil partner or any person(s) with whom you are making a joint claim for tax credits (your 'partner') on the basis that you are a household. You both agree that, in all matters relating to your or your partner's tax and financial affairs, we may deal directly with either of you and we may discuss with either of you the tax liabilities and/or financial affairs of the other, so far as they are relevant to your tax credits entitlement.
- 3.4 For us to act for you as a couple in respect of a joint claim, you undertake that all instructions, information or explanations either of you gives us will be on behalf of both of you, unless you specifically tell us otherwise. Similarly, if one of you signs a document, it will be on behalf of you both unless you instruct us to the contrary. If a conflict of interest arises between you in relation to any matter to do with your joint claim or entitlement, we reserve the right to cease acting for both of you, or to advise one or other of you to obtain independent advice.
- 3.5 We will require your partner's agreement to these arrangements.
- 3.6 You undertake to tell us if you cease to be a couple because this will terminate the joint claim. You cease to be a couple for tax credits purposes if:
- You were a married couple or civil partners and you have separated under a court order, or in circumstances in which the separation is likely to be permanent; or
 - You were living together as husband and wife, or as if you were civil partners, but no longer do so; or
 - One of you has gone overseas for longer than eight weeks (even if you still regard yourselves as living together in the usual sense).
- 3.7 HMRC will need to be informed if the joint claim terminates, and we will also need to amend our terms of engagement accordingly. If you are unsure whether you have ceased to be a couple for tax credits purposes, please tell us so that we can assess the situation.