



SCHEDULE 2C

TAXATION – INDIVIDUALS, SOLE TRADERS AND COUPLES

This schedule of services should be read in conjunction with the engagement letter and the terms of business.

1 RESPONSIBILITY AND SCOPE FOR PERSONAL TAX SERVICES

1.1 Recurring compliance work

- 1.1.1 We will prepare your self assessment tax returns together with any supplementary pages required from the information and explanations that you provide to us. After obtaining your evidenced approval, we will submit your returns to HMRC.
- 1.1.2 Where instructed by you we will prepare your business accounts from the books, accounting records and other information and explanations provided to us by you or by others on your behalf. This work may be subject to a separate schedule of services.
- 1.1.3 Where instructed by you we will compute your property letting income and expenditure from the books, accounting records and other information and explanations provided to us by you or by others on your behalf.
- 1.1.4 We will calculate your income tax, national insurance contributions (NIC) and any capital gains tax liabilities to be included on your self assessment return and tell you how much you should pay and when. Where instructed by you we will advise on the interest and penalty implications if tax or NIC is paid late. We will also check HMRC's calculation of your tax and NIC liabilities, and initiate repayment claims if tax or NIC have been overpaid.
- 1.1.5 We will advise you on possible tax-return-related claims and elections arising from information supplied by you, other than as regards tax credits and universal credit (see below). If instructed by you, we will make such claims and elections in the form and manner required by HMRC.
- 1.1.6 We will review PAYE notices of coding provided to us by you and advise accordingly. Note HMRC no longer sends copies of notices of coding to agents.

1.2 Foreign Account Tax Compliance Act (FATCA) and Common Reporting Standards (CRS)

- 1.2.1 You will be solely responsible for compliance with the International Tax Compliance Regulations 2015 as a result of the USA Foreign Account Tax Compliance Act (FATCA).

1.2.2 You will be responsible for compliance with these regulations and any obligations arising from the Common Reporting Standards, including initial categorisation, registration with the IRS (or other applicable authority) and the filing of annual returns with HMRC.

1.3 Excluded, ad hoc and advisory work

1.3.1 The scope of our services provided to you will be only as set out above and all other services which we may offer are excluded. If you instruct us to do so, we will provide such other taxation, ad hoc and advisory services as may be agreed between us from time to time. These services will be the subject to the terms of this engagement letter and terms of business unless we decide to issue a separate engagement letter. An additional fee may be charged for these services. Examples of such work that you may wish to instruct us to undertake include:-

- (a) advising on the extraction of cash/dividends from your personal service company and completion of tax returns if you have been treated as a deemed employee under the IR35/off-payroll working rules;
- (b) advising on making tax digital for income tax self assessment (MTD ITSA) which will require digital accounting records and the submission of quarterly updates and annual returns to HMRC using compatible software;
- (c) advising on whether you should change your business accounting year end to align with the tax year end and if so helping you to make the transition including claiming overlap relief;
- (d) advising on the in-year capital gains tax (CGT) reporting requirements on disposals of UK residential property, and, if you are non-UK resident, UK non-residential property and investments in property-rich entities, preparing the in-year return and calculating the CGT due where required and submitting the return to HMRC. We will require you to provide information as early as possible in advance of exchange of contracts in order to provide advice on the tax implications, reporting requirements and to quantify the tax bill;
- (e) advising on ad hoc transactions (for example pre-transaction advice on the sale or purchase of assets) and queries (including telephone conversations), preparing and submitting information in the relevant format to HMRC and calculating any related tax liabilities;
- (f) advising on double tax relief if appropriate;
- (g) dealing with any enquiry opened into your tax return by HMRC;
- (h) preparing any amended returns which may be required and corresponding with HMRC as necessary;
- (i) advising on the rules relating to and assisting with registration for VAT or equivalent non-UK taxes;
- (j) advising on tax credits and universal credit; these are, in effect, social security benefits, and your entitlement or otherwise will depend not only on your own circumstances but also on those of your household; and

(k) advising on inheritance tax: this is not routinely undertaken without separate instructions.

1.4 Your responsibilities

1.4.1 In addition to your responsibilities as set out in the terms of business, to enable us to carry out our work, you agree:-

(a) to provide full details of all UK residential property disposals including associated costs/valuations prior to disposal. Where you consider that you will be non-UK resident in the tax year of disposal, full details of all UK property disposals (residential and non-residential) including disposals of shares in property-rich companies or UK property-rich collective investment vehicles, or other such entities must be advised prior to exchange of contracts on any property disposal or agreement to transfer shares or units. If information is received after this, we cannot guarantee that we can provide advice on the amount of capital gains tax due or submit an in-year return within 60 days of the completion of the disposal.

1.5 Family units

1.5.1 Where applicable, and if you have instructed us to do so, we will advise you and your spouse/partner on the basis that you are a family unit.

1.5.2 If you are both named on the engagement letter sent with this schedule, you both agree that, in all matters relating to your or your spouse's/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. This will help us to streamline our service to you and enable us, for example, to ascertain high income child benefit charge, transferable marriage allowance, and CGT base costs of assets disposed of which have been transferred between you, where applicable. If you wish to make any change to these arrangements at any time, please let us know.

1.5.3 In order for us to act for you as a couple in respect of a joint claim, you undertake that all instructions, information or explanations that 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 should arise 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.

1.6 Limitation of liability

1.6.1 Our services as detailed above are subject to the limitations on our liability set out in the engagement letter. These are important provisions, which you should read and consider carefully.