



Tax Enquiry Fee Protection

While it is not possible to prevent an HMRC enquiry, it is possible to protect yourself from the associated costs and disruption. For an annual fee, our Tax Enquiry Fee Protection service covers up to £125,000 of our professional fees, in the event of an enquiry. This allows your Saffery team to manage the enquiry on your behalf and achieve the best outcome for you.

This service is backed by Saffery's insurance policy with Markel Tax, who are experts in tax professional fee insurance.

Why do I need fee protection?

1. Tax enquiries from HMRC are becoming increasingly common and can sometimes last several years. During that time, professional fees can build up and the process can become both costly and onerous.
2. HMRC is making greater use of data analysis and AI tools to identify cases for review, has access to a wide range of sources, and also chooses cases at random. Even businesses and individuals with accurate records may be selected for enquiry.

Having the right protection in place ensures you can manage the costs and demands an unexpected enquiry brings, and are well-supported throughout the process.

What's involved in responding to an enquiry?

Responding to an HMRC enquiry often requires an in depth understanding of your tax position.

We may need to:

- Establish that the basis of the enquiry is correct and that HMRC is acting within its legal parameters
- Ensure the tax inspector is only requesting relevant information and documents
- Challenge HMRC's assumptions and technical arguments
- Explain complex or technical tax concepts

- Handle all communication with HMRC, including letters and phone calls
- Prepare for and attend any face-to-face meetings with HMRC
- Support you towards a resolution, ensuring you receive the best defence

What does Tax Enquiry Fee Protection include?

Fee Protection of up to £125,000 is available in respect of:

- Full and aspect enquiries into corporation tax returns, partnership tax returns and personal tax returns (including sole traders)
- Disputes into:
 - VAT
 - Employer Compliance (PAYE, P11D and NIC)
 - IR35
- HMRC use of information and inspection powers/sch. 36 pre-disputes in respect of:
 - VAT reviews and inspections
 - Employer Compliance Visits
 - Check of Employer Records
 - Check of Coronavirus Job Retention Scheme (CJRS) claims
 - Check of Self-Employment Income Support scheme (SEISS) claims
 - National Minimum Wage reviews
 - Interventions
 - Requests for information
 - Capital Gains Tax
 - Gift Aid Audits
 - Construction Industry Scheme

Fee Protection of up to £5,000 is available in respect of:

- Stamp Duty Land Tax (SDLT)/Land & Buildings Transactional Tax (LBTT)/Land Transactional Tax (LTT) enquiries
- Code of practice 8 enquiries
- Inheritance Tax enquiries

Fee Protection of up to £1,000 is available in respect of nudge letters.

In the event an enquiry, we will reclaim any costs incurred by us in dealing with your enquiry directly from the insurance company. You will be responsible for any fees that we cannot recover from our insurers.

What are the main Exclusions?

- Clients where Saffery is not the registered agent.
- Fees incurred prior to the written acceptance of our insurer.
- Enquiries from HMRC specialist investigations, civil investigations of fraud, criminal investigations sections, fraud investigation service and counter avoidance sections as well as cases of suspected fraud e.g. code of Practice 9 cases and public notice 160 enquiries.
- Corporation tax returns, income tax returns and VAT returns submitted to HMRC more than 90 days after the due date.
- In relation to SDLT/LBTT/LTT returns or 60-day capital gains tax returns submitted to HMRC after the due date.
- Enquiries notified by HMRC prior to subscribing to the service, or after ceasing to be a client of Saffery LLP.
- Enquiries where there was a failure to notify/register for tax or VAT.
- Enquiries into import/export duty and customs & international trade checks.
- Enquiries into research & development tax relief claims where the claim was not prepared by Saffery LLP.
- Compliance costs associated with the routine submission of statutory returns e.g., P11Ds RTI Returns, CIS Returns etc.
- Enquiries where there is no reasonable prospect of challenging HMRC.
- Costs for third party valuations.
- On enquiries into tax planning arrangements where HMRC has allocated a DOTAS number and/or bespoke tax planning arrangements outside of the normal trade.

How to sign up

You can sign up to our Tax Enquiry Fee Protection [here](#).

You can pay by credit or debit card, or one-off direct debit. To pay you will need to know your Saffery client ID and TEF category (please contact us if you need these details). Please note this will take you to a payment portal operated by Markel Tax.

This runs each year from 1 October through to the following 30 September, but you may join at any point in the year by paying an apportioned fee.

If you have any questions about the service or require a different payment option, please contact TEFP@saffery.com

Legal Terms

This Tax Enquiry Fee Protection service will be provided to you by Saffery LLP in accordance with the terms of your letter of engagement with Saffery LLP. By subscribing, you confirm that you have read and understood the information in this factsheet (service summary).

When does my fee protection start and end?

The Tax Enquiry Fee Protection service runs each year from 1 October through to the following 30 September. For renewing clients, payment must be received by 28 October 2025 to maintain continuous cover.

For clients subscribing for the first time or after a break, cover commences on the date of payment or 1 October 2025, whichever is later. Any Saffery fees relating to a tax enquiry received before payment is made will not be covered and will remain your responsibility.

This service is available only to entities for whom Saffery LLP provides tax compliance services. If we cease to act for the entity, your Tax Enquiry Fee Protection will also end and any fees paid will not be refundable.

Partnerships and companies

A maximum of 6 partners and/or directors are automatically covered in respect of enquiries into their personal returns, when the relevant company or partnership subscribes for Tax Enquiry Fee Protection. If, however, those partners and directors have rental income over £50,000 a year, or self-employment income over £15,000 they will need to separately subscribe to the service for their enquiries to be covered. Saffery must also prepare and submit the personal tax returns for the relevant partners and directors. Please note this does not include partners who are trusts, other partnerships (including LLPs) or corporate entities.

Business and commercial legal helpline

As an additional benefit of subscribing to the service, business clients receive unlimited access to a business legal helpline. This is a 24-hour, 365 days a year telephone advice service manned by a team of 70 barristers and solicitors. The helpline provides commercial, employment and health and safety advice. This is provided by Markel Law LLP and can advise on general UK law.

Markel Protection Limited is a corporate member of Markel Law LLP. Markel Law LLP is regulated and authorised by the Solicitors Regulation Authority. Markel Law makes no additional charge for providing these services.

For more information on this please email

TEFP@saffery.com

Saffery LLP is not responsible for any advice provided by Markel Law LLP via this helpline.

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