



Offshore Disclosure

‘A second bite at the apple’

Further details of this New Disclosure Opportunity (NDO) outlined in the 2009 budget have now been released. The key points are outlined below however, we would urge anyone to whom the NDO may apply to seek specialist tax advice, so as to ensure that disclosure is made within the terms of the NDO.

Some people may recall a “special deal” offered by HM Revenue and Customs in Summer 2007, although it probably did not get the attention it deserved. As a result the tax authorities are going for a second bite at the apple, and are again offering a special deal for people making voluntary disclosure.

- The NDO offers people with unpaid tax arising from offshore income and assets the chance to disclose and settle their tax liabilities at favourable penalty rates.
- If undisclosed income is less than £1,000 then no penalty will apply.
- The penalty is fixed at 10% of the unpaid tax (or at 20% for those people whom HM Revenue and Customs wrote to in 2007 offering the reduced 10% rate but who did not take part in the disclosure scheme at that time)
- If disclosure is not made under the NDO then HM Revenue and Customs could seek to apply penalties of up to 100%.
- A notice of disclosure must be made within the following timeframes:
 - On paper from 1 September 2009 to 30 November 2009
 - Online from 1 October 2009 to 30 November 2009
- With full disclosure (including payment of tax) being made:
 - On paper by 31 January 2010
 - Online by 12 March 2010

Eaves & Co can advise on preparing the notice to disclose and the full disclosure document, which has to be complete in order to qualify for the significant amnesty protection being offered.

For further information on the NDO or any other taxation matters please contact Paul Eaves on 01704 548698 or email peaves@eavesandco.co.uk.