



HM Revenue
& Customs

Freedom of Information Team
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Mr Ed Boyce

By email: request-731880-
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Email foi.request@hmrc.gov.uk

Web www.gov.uk

Date: 29 March 2021
Our ref: FOI2021/02533

Dear Mr Boyce

Freedom of Information Act 2000 (FOIA)

Thank you for your request, which was received on 26 February, for the following information:

“How many solicitors partnership firms and or directors of their companies have been investigated by HMRC as to which legal entity they are and have been paying tax through in the last 10 years.

How many have been found to have been to paying tax through the incorrect legal entity, such as those that set-up as a partnership firm and a company, with a similar sounding trading name to their partnership name.

Is it possible to be instructed through one legal entity yet be paid through a different legal entity?”

[Section 1](#) of the FOIA places two duties on public authorities:

Under section 1(1)(a), to confirm or deny if the requested information is held.

Under section 1(1)(b), to disclose information that has been confirmed as being held.

These obligations are however limited in appropriate circumstances to the cost restrictions set out beneath.

[Section 12 \(1\)](#) of the FOIA states a department is not obliged to comply with its duty under section 1(1)(b) above if doing so would exceed the cost limit. This limit, for central government, equates to one person spending 3½ working days locating and extracting all of the information requested.

Section 12 (2) of the FOIA similarly states that a department is not obliged to comply with paragraph (a) of section 1(1) above where the estimated cost of complying with that paragraph alone would exceed the appropriate limit.

Your request

In relation to the ask within your first paragraph, we estimate that it would exceed the FOIA cost limit to determine whether or not we hold the information requested. To establish what records may exist would require significant resources to interrogate records held both centrally and locally, in numerous formats and systems across many parts of the business.

Information is available in large print, audio and Braille formats.
Text Relay service prefix number – 18001



We can therefore neither confirm nor deny that we hold the information requested. This should not be taken as indication that the information you seek is or is not held by us.

With regards to your final question “Is it possible to be instructed through one legal entity yet be paid through a different legal entity?”. I can confirm we do not hold the information required to answer this question. However, I can confirm that HMRC will tax business profits or income whatever the legal structure.

Outside of the FOI

To assist you further, the breadth of this request means that it is not possible for a response to be provided within the FOIA cost limit. Unfortunately, due to the specific nature of your request, “solicitors partnership firms and or directors”, it is highly likely that even if you reduced the time frame we would be unable to provide the information without it exceeding the FOIA cost limit.

Therefore, we cannot guarantee that a narrowed request will not be subject to an exemption. However, we will endeavour to provide assistance where possible.

If still appropriate, please submit your narrowed request (quoting the FOI reference number above) by emailing foi.request@hmrc.gov.uk, or by writing to the address at the top right-hand side of this letter.

If you are not satisfied with this reply you may request a review within two months by emailing foi.review@hmrc.gov.uk, or by writing to the address at the top right-hand side of this letter.

If you are not content with the outcome of an internal review you can [complain to the Information Commissioner's Office](#).

Yours sincerely,

HM Revenue and Customs