



HM Revenue
& Customs

Mr Gary Tinker
By email: request-495039-
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Counter-Avoidance
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Date: 30 July 2018
Our ref: FOI2018/01390

Dear Mr Tinker

Freedom of Information Act 2000 (FOIA)

Thank you for your request, which was received on 1 July, for the following information:

“Many thousands of people now have open enquiries related to the Loan Schemes that are described by yourselves as disguised remuneration. These can go back as far as 1999. What is the average period of time that an enquiry has remained open for protected years?”

I can confirm HMRC holds information that falls within the scope of your request. However, we estimate that it would exceed the FOIA cost limit to deal with it. The cost limit, which is specified in regulations, equates to one person spending 3½ working days locating and extracting all of the information within scope of the request.

Although HMRC holds information about the number of enquiries made in respect of ‘Disguised Remunerations’ (DR) schemes, to provide information regarding the average period of time an enquiry case has remained open would require us to identify and cross check DR cases across multiple HMRC IT systems and business streams and in some instances manually review records at individual case level to establish when an enquiry was first opened, closed or whether it is still ongoing. To conduct this work would exceed the amount as specified in legislation.

Normally, HMRC would explore with you how you might be able to narrow or refine your request so that it did not exceed the FOIA cost limit. However, in this case, I cannot see any scope for doing this. Even narrowing your request to one particular year would still exceed the costs limit.

I have established that the time necessary to complete this task would exceed the cost limit by some way. Consequently, under section 12(1) of the FOIA, HMRC is not obliged to comply with your request and we will not be processing it further.

To be helpful, and outside of the Act, you might like to know that enquiries into DR tax avoidance cases can be time consuming and take several years because of the very complex nature of the arrangements. We also rely on the cooperation of scheme users to provide information and agree to pay the tax they owe.

You might like to be aware that on 7 November 2017 'Disguised Remuneration: detailed settlement terms' were published on GOV.UK and more recently a 'HMRC issue briefing: disguised remuneration charge on loans' on 18 July 2018. These are available at:

- www.gov.uk/government/publications/disguised-remuneration-detailed-settlement-terms/disguised-remuneration-detailed-settlement-terms
- www.gov.uk/government/publications/hmrc-issue-briefing-disguised-remuneration-charge-on-loans/hmrc-issue-briefing-disguised-remuneration-charge-on-loans

If you are not satisfied with this reply you may request a review within two months by emailing foi.review@hmrc.gsi.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. The following link explains how to do this:
<https://ico.org.uk/concerns/>

Yours sincerely,

Freedom of Information Team