



Tax News

July 2022

Dear friends

Welcome to Tax News July 2022. We will be bringing you three issues each year to share updates, training and tools from the charities, TaxAid and Tax Help for Older People, as well as information from the tax and pension industry, and inviting you to share your experiences, stories and ideas.

In this issue we explain who we are, let you know what to do if people have problems with tax refund companies or want to know how to make a claim for a tax refund without using a refund company, introduce you to our newest team members, share our success stories and let you know about one of our fundraising activities.

From the team at TaxAid and Tax Help for Older People

Who are TaxAid and Tax Help for Older People?

TaxAid and Tax Help for Older People directly support and advocate for vulnerable workers and pensioners who are unable to manage their tax affairs. We are working towards a world where every vulnerable person gets the tax help they need. Our service empowers and encourages people to help themselves through information on our platforms and through our helpline, with more complex problems being addressed through our one-to-one clinics.

We also work with other advice networks and specialist charities to signpost to our service, while developing their tax knowledge through training and information.

The two charities are working together to support our beneficiaries with their tax queries. Some of you may have worked with both charities, so know all about their origins, for those who don't here's a brief description.

TaxAid helps vulnerable people on lower incomes to understand the bits of the tax system that apply to them, pay only the right amount of tax and help them resolve crises when things go wrong. TaxAid was set up 30 years ago by tax professionals who were concerned that people on low incomes were suffering significantly because they could not afford tax advice.

After a successful pilot in 2001, Tax Help for Older People was established in 2004. Tax Help for Older People is a service that provides free, independent and expert advice specifically for older people on lower incomes.

Success Story

Angela Williams, Tax Help for Older People Volunteer, shares an example of a case that involved sorting out tax codes, explaining tax and reassuring an 83 year old widow. She was meticulous in keeping all tax correspondence including (handwritten – do you remember those?) tax codes and explanatory booklets back to the early 1960s. She had never known what she needed to keep or could throw out and the weight, both physical and mental, was worrying her more and more.

Angela went through everything and as the piles for recycling and shredding increased, she could see her shoulders physically rising and the smile of relief on her face getting bigger and bigger. It may not have been strictly sorting out the tax problem but for Angela it was so worthwhile and very satisfying to see her huge relief.

Claiming a Tax Refund and Problems with Some Refund Companies

On our helplines advisers are getting in touch because clients are having problems with tax refund companies, and you might have seen articles in the general press about this. HMRC also know it is a problem and are consulting on what changes can be made. We are providing HMRC with evidence so please do let us know the problems your clients are having.

In the meantime, we have some suggestions about what you can do to help your clients.

Typically, people are drawn in to tax refund companies either through having used the company previously for PPI claims, or simply through internet advertising on social media or searches. After putting in a few details, and maybe clicking on an “Agree Terms and Conditions” box they may decide they don’t want to proceed or are not entitled to any refund and forget all about it. The next thing they see is a letter from HMRC saying that they are due a refund and it is being sent to X Ltd refund company. HMRC then tells them that they have signed a claim, and also a deed of assignment meaning that the refund goes to X Ltd, and this can’t be unilaterally cancelled. Worse follows where the refund is too high, as HMRC asks the individual for the repayment.

The difficulty is that usually this is not a tax problem, and HMRC have followed the correct process to make the refund in accordance with a valid deed of assignment presented by the refund company. The steps you should take are to check what paperwork has been signed, or what terms and conditions have been agreed to, this will determine if the problem is with the refund company or HMRC. Usually, in our experience, the paperwork is in order and the client will have to go back to the refund company and get agreement to changing the deed of assignment. However, when you have checked this, if you think it is a problem with HMRC then get in touch on our adviser line 0300 330 5477.

Remember if someone is due a refund, they can apply directly to HMRC and not use a refund company. The benefit is that if you apply using the HMRC link you get to keep all the refund. The link to claim the refund directly from HMRC is <https://www.gov.uk/claim-tax-refund>. This can be used in respect of most tax refunds that can be claimed, but typically people use this to claim the refund due as a result of claiming the working from home allowance or eligible work expenses. If your clients need any help in claiming their refund using this route, please ask them to call our helpline on 0345 120 3779.

Positive Feedback

The organisation has helped me in a most difficult circumstance and been just so supportive.

Absolutely wonderful. My issue is taking a little while to resolve. I could not have dealt with it on my own. I have great faith in your volunteers.

I cannot stress enough how important it is to deal with people who are kind and understanding. Tax issues cause many elderly people enormous anxiety. Your staff took away that anxiety.

I had been very worried by the letters I was receiving from the Tax Office and had no idea how to sort it. The person who guided me through this was so patient and helpful and I now have a better understanding of how to organise things.

Introducing Gillian Banks Advice Manager

Gillian Banks reflects on her experience as Advice Manager at TaxAid and Tax Help for Older People.

After a very long career at PwC, I was all set to retire at the end of 2021, and was looking for one or two voluntary roles where I could use my experience. I then heard via a colleague that the charities were looking for someone to cover maternity leave as Advice Manager, and here I am. It is a privilege to work here.

My job is essentially to oversee the tax advice that is provided to the charities' beneficiaries by our staff and wonderful teams of volunteers. We receive a wide range of queries. At Tax Help common questions are about tax codes, foreign pensions, and increasingly refund companies. At TaxAid, it's often about self-employment – how to register, help with completing tax returns etc. Many of our beneficiaries have mental or physical health problems that mean they have been unable to deal with their tax affairs properly. We are able to help them get their tax affairs up to date and in some cases get late filing penalties removed lifting a big worry from their shoulders.



Rosemarie Hegarty

Introducing Rosemarie Hegarty Volunteer and Administration Team Manager

Rosemarie Hegarty tells us about her role as Volunteer and Administration Team Manager.

Hello, ever since my interviews in November 2021 I have been excited about joining Tax Help for Older People and TaxAid. Since February I have been welcomed in and I am learning each day more about the charities' work, our volunteers and the staff who keep all the cogs turning to ensure the beneficiaries are helped and supported with kindness and expertise.

I have come from a background of volunteer and services management with the Royal Voluntary Service and Blind Veterans UK, and prior to that, years of community development with local authorities in East and West Sussex. I am enjoying being able to take the skills I have developed over the years to Tax Help for Older People and TaxAid in reviewing our volunteering programmes, alongside getting to know our amazing volunteers.

The pandemic has taught us many new skills which enable us to help more people nationally, it is equally important to recognise the benefits gained from working in a pre-pandemic world to deliver a blended approach for the future. Alongside our Volunteer & Administration team I will also be working with our Communications team to raise the profile of the charities and be able to help more people across the UK.

Fundraising Efforts



Kilimanjaro Trek | September 2022

Ain't no mountain high enough? Oh yes there is! After two years of delays due to Covid, our intrepid group of tax charity trekkers are set to climb Mount Kilimanjaro this autumn. They leave the UK on Thursday 15th September and plan to trek up through the tropical rain forests, across rocky outcrops and up around the snowy crater to the summit. At almost 6,000m this is the highest mountain in Africa and the highest freestanding one in the world.

With less than three months to go the team have been busy training, and some have taken part in our other fundraising events "London and Exeter Legal Walk" in June.

For regular updates follow our social media channels and website, and you or your teams can support and sponsor our team here: <https://www.justgiving.com/team/KiliTax2020>

Useful Contacts

The Volunteer & Administration Team Contacts

Open Monday to Friday 9am-5pm except bank holidays

TaxAid

help@taxaid.org.uk

Direct line: 020 7803 4950

Tax Advice Helpline: 0345 120 3779

Tax Help for Older People

taxvol@taxvol.org.uk

Via our webpage contact form

01308 488066

We are interested in hearing your experiences and ideas, please send to joanna@taxaid.org.uk for the opportunity to star in our next issue of Tax News

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