

# Revenue Commissioners review of Contractors rolling out nationally with immediate effect

As you may be aware the Revenue Commissioners have launched a review of tax compliance by contractors in the Munster region. Revenue are focussing on both the One Contractor One Company and Composite/Umbrella company structures.

This project has been so successful for Revenue that they are rolling the review out nationally with immediate effect.

We have extensive knowledge of the issues involved, which are as follows:

- Revenue believe a large number of contractors are over-claiming home office and travel costs.
- Revenue have predefined parameters they are using to identify contractors to be audited.
- Once identified for audit, Revenue have specified levels of 'unvouched expenses' they are prepared to accept without penalty for the contractors.
- If contractors have levels of expenses which Revenue believe are unjustified, Revenue are seeking to charge interest of 12% pa and penalties ranging from 10% (unprompted disclosure) to 100% (liabilities discovered in audit) of the tax liabilities.

We are familiar with the audit parameters and unvouched expenses thresholds Revenue are utilising in this review.

We have acted for numerous clients in their negotiations with Revenue using our industry knowledge and the specific knowledge we have obtained in our meetings with Revenue over the years.

If you think you may be affected by the above, please do not hesitate to contact us on Tel: 021 4316533