

NEW TAX SERVICE FROM TRIDENT TAX

PUBLISHING YOUR 'TAX STRATEGY'

Helping you develop and defend what
your business says about tax



Larger businesses are required by law to publish their 'tax strategies' annually. We can help you develop the right tax strategy for your business; and help you be ready to support what it says in the event it is challenged by HMRC.

“We don’t currently have a documented Tax Strategy”

We use a structured workshop approach to help you establish and then draft a Tax Strategy fit for purpose and publication.

“We already have a documented Tax Strategy”

We can review it and provide our views on whether it is fit for purpose and publication.

WHAT IS THE LEGAL OBLIGATION?

If you’re a company, partnership, group or sub-group, you will need to publish a tax strategy if in your previous tax year you have either a:

- UK turnover above £200 million; or
- a balance sheet total over £2 billion; or
- you are a UK subsidiary or sub-group of an overseas multinational group with total group turnover over Euro 750 million, regardless of your own turnover.

The first tax strategy must be published before the end of your first financial year commencing after 15 September 2016.

The strategy must be published on the internet. After the first strategy is published, you must publish one each year, within 15 months of the last one being published.

There are penalties for failing to publish a tax strategy correctly and in time (the penalty starts at £7,500 and can increase over time). The strategy must include the following elements:

- Details of key tax risks linked to the size and complexity of your business and any relevant business changes (e.g. acquisitions);
- An explanation of how you assess and manage your tax risks;
- A description of your attitude to tax planning and your appetite for tax risks;
- A description of how you approach working with HMRC (e.g. your approach to discussing risks, making disclosures etc.)

WHY MIGHT I NEED HELP AND ADVICE?

We believe that all businesses should consider having a documented Tax Strategy and that the larger and more complex your business activities the greater the imperative.

If you meet the above criteria you are legally obliged to publish your UK Tax Strategy annually.

Your published Tax Strategy is a signal to the outside world about your attitude to tax. It will be viewed by some as a measure of your general business reputation and approach to complying with rules and regulations.

If your published Tax Strategy does not align with actual events, or cannot be supported with evidence, your business’s reputation might be damaged and you may incur financial penalties. So your Tax Strategy needs to be considered carefully before it is published.

WHAT WOULD TRIDENT DO TO HELP?

We have experience of helping businesses manage their tax risks and formulate appropriate strategy documents; we understand how HMRC works and we can provide independent challenge.

If you don’t currently have a documented Tax Strategy which is fit for purpose and publication we would lead a structured workshop with you. Usually this would be a half-day session but could be longer depending on the size & complexity of your business. The output would be a summary document prepared by Trident setting out a potential draft Tax Strategy together with any recommendations for further action.

If you already have a documented Tax Strategy and want to check that it is fit for purpose and publication, we will review your current documentation and discuss our findings and recommendations with you in the first instance

WHAT’S THE CONCLUSION?

If you are required by law to publish your Tax Strategy it must meet the legal standards. Failure to do so could damage the reputation of your business and result in financial penalties.

But managing your business tax affairs effectively is not just a legal obligation, it is sound business practice. This starts with a consideration of your Tax Strategy. We can help you do that effectively and efficiently, using our expertise and structured approach.