

## The Contentious Tax Group: the lowdown

*In late 2021 Sarah Scala founded The Contentious Tax Group. Here Sarah explains why she decided to create the group and how it benefits both the industry and taxpayers*

In September 2021, I joined Claritas Tax to develop and lead its new Tax Dispute Resolution service line. I was excited by the autonomy my new role offered; however, I would need to build the service line before I could recruit, which meant I did not have tax dispute resolution colleagues with whom I could collaborate and discuss investigation strategy, for example.

To fill the gap, and with a view to securing new clients, I kept busy, meeting with other professionals working in the same field but I found myself having similar conversations day after day because the subject matter was the same; for example, HMRC's focuses, the problems taxpayers were facing and how to solve them. I wondered if the individuals I was meeting one to one would be interested in meeting as a group, too. After all, many of the people I was meeting were most likely meeting each other anyway.

So The Contentious Tax Group was born, and the first monthly meeting took place in March 2022. The members consist of tax advisers and lawyers working in tax disputes, from across the UK. We meet face to face in London quarterly, with monthly Teams meetings in between.

### Our purpose

**Sharing knowledge:** The tax dispute profession is driven by HMRC, encouraging taxpayers to be tax compliant and targeting non-compliance through its nudge letter campaigns, enquiries and investigations activity. This means that the type of work we do is mostly determined by what HMRC are focusing on, and the amount of work is determined by how much work HMRC are doing.

Where there is a lot of activity and new initiatives, as tax dispute specialists we are skilled at keeping abreast of developments and devising strategies. This is easier to do if we collaborate. There is also no substitute for on-the-job experience so a lot can be learned by hearing about a real-life case on a new issue, maintaining confidentiality of course. Our shared view is that there is enough work to go around and if we share knowledge we can provide the very best service to our clients and secure the best results.

**Collaboration:** One might consider the tax advisers in the group to be in direct competition, with the same applying for lawyers. However, as we have varying charge out rates and differing specialisms we do sometimes make referrals between ourselves. In addition, taxpayers under investigation often require both legal advice and tax advice. Therefore, the group offers a ready-made tax adviser/lawyer referrer network.

**Supporting the wider profession:** The group discussions can benefit the wider accounting and legal profession. I therefore feel a responsibility to share insights from the group meetings with advisers, allowing them to keep up-to-date with HMRC news and to be aware of which of their clients are at greater risk of being contacted by HMRC in relation

to possible tax irregularities. I do this by posting on social media, to highlight the issues brought up at the last group meeting and I use the topics raised on the group as inspiration for technical articles in this magazine and for Claritas Tax.

**Raising awareness:** As the group has developed, we have decided to use it as a platform to highlight some serious issues affecting taxpayers. Our latest project will explore the correlation between lengthy tax investigations and known taxpayer suicides. Our work in this area has started with the drafting of a Freedom of Information request and we hope to publish the data received and use it to raise awareness of the issue and to provide tax specific guidance for mental health charities.

### **What our members say**

To conclude, I would like to share what Nick Davies, Managing Director of NHD Tax Solutions Limited, has to say about his experience of the group so far.

“I had known Sarah for a while, and was delighted when she asked me to become a founder member of the group. The tax disputes world is quite close knit, and I already knew a handful of the other members. But the group has certainly broadened my network and I have been able to collaborate on specific cases with other group members, particularly on the legal side. It is also invaluable for staying ahead of the curve with regard to current HMRC priorities and focus. Without a doubt, it has enhanced the level of service we are able to give our clients.”

If you feel that you might be a good fit for the group, please get in touch and we will pass your details on to Sarah – email [Tony@hmrctaxinvestigation.co.uk](mailto:Tony@hmrctaxinvestigation.co.uk). If you are an adviser wanting to keep up-to-date with group news, you can do so here with updates planned in future issues.