

TCRM3360 - Which customers might expect to fit in risk-rating categories 1 to 4?

Rating 1 (Low)	Rating 2 (Moderate)	Rating 3 (Moderate to High)	Rating 4 (High)
<p><i>All customers will be able to say the following:-</i></p> <p>I maintain an open and transparent relationship with HMRC.</p> <p>I have systems and processes which deliver timely and accurate returns, declarations, payments and claims.</p> <p>I have sufficiently skilled and experienced resources in my tax teams.</p> <p>I only require HMRC assistance on the most complex issues and clearances; I routinely review my tax systems and declarations and, if I identify any errors, I notify HMRC at the earliest opportunity and take appropriate steps to remedy the situation.</p> <p>I have a clear tax strategy which is applied in practice to try and ensure the right tax is paid at the right time.</p> <p>I provide a complete worldwide group structure, if requested to do so by HMRC.</p> <p>I am not involved in tax planning other than that which supports genuine commercial activity and fully disclose the facts to HMRC where there is any uncertainty or disagreement.</p> <p>I am not directly involved with illicit trades and am active in mitigating illicit trades within my supply chain.</p>	<p><i>Customers will be able to say one of the following:-</i></p> <p>I want to get to low-risk and am working towards getting there. There are some aspects of my systems, tax governance or my approach to tax compliance which need to be addressed, but once these are resolved, I would expect to become low-risk.</p> <p>I am not particularly concerned about being low-risk and recognise that there are aspects of my systems, my tax governance or my approach to tax compliance which may well prevent me getting there. I am, however, keen to maintain a collaborative, open and transparent working relationship with HMRC and, other than the occasional tax dispute where HMRC and I might disagree about the appropriate tax treatment, I am striving to get all my taxes right.</p>	<p><i>Customers will be able to say one or more of the following:-</i></p> <p>I am sometimes non-cooperative in my approach to tax compliance and/or fail to engage openly and constructively with HMRC, which means I cannot always be relied on to get my taxes right.</p> <p>My systems and processes are not sufficiently robust that I can always be expected to get my taxes right and the amounts of tax potentially at risk are material and significant.</p> <p>I seldom engage in tax avoidance schemes or boundary pushing as a leader, but I regularly position myself as a follower to try and secure tax advantages.</p> <p>I am not directly involved in illicit trades but I am not averse to profiting from them and take little active interest in mitigating illicit trades within my supply chain.</p>	<p><i>Customers will be able to say one or more of the following:-</i></p> <p>I am in the High-Risk Corporates Programme.</p> <p>My non-cooperative approach to tax compliance and/or unwillingness to engage openly and constructively with HMRC means I cannot be relied on to get my taxes right and the amounts of tax potentially at risk are material and significant.</p> <p>My structures and/or systems and processes are so labyrinthine or weak that I cannot be expected to get my taxes right and the amounts of tax potentially at risk are material and significant.</p> <p>My tax strategy makes me an outlier in terms of my approach to tax compliance. I am persistent in using creative tax planning and/or tax avoidance schemes; I regularly push boundaries to try and secure tax advantages.</p> <p>I am directly involved in illicit trades.</p>