

# Tax Liability Cover

Qdos

## Insurance Product Information Document

**Company:** Qdos Contractor

**Insurer:** HCC International Insurance Company plc

Qdos Contractor is a trading name of Qdos Broker & Underwriting Services Limited, authorised and regulated by the Financial Conduct Authority. This insurance is underwritten by HCC International Insurance Company plc which is registered in the United Kingdom. HCC International Insurance Company plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. Reference number: 202655.

The following summary does not contain the full terms and conditions of the contract which can be found in your policy documentation. Please note that if a word or term is capitalised, it has a specific meaning. For the definition, please review the 'Understanding your policy' section of the full policy wording.

### What is this type of insurance?

This is a Tax Enquiry Insurance policy.

### Statement of Demands & Needs

This product meets the demands and needs of customers who wish to be indemnified against defence costs incurred in the event of an investigation by HMRC into their tax affairs, and indemnified against additional taxes, interest and penalties that may be imposed by HMRC following specified investigations.



#### What's insured?

- ✓ Qdos consultants' fees in defending:
  - ✓ IR35 Enquiries
  - ✓ PAYE Control Visits and Disputes
  - ✓ VAT Disputes
  - ✓ Section 660A/Settlements disputes
  - ✓ Enquiry into the policyholder's corporation tax or income tax self-assessment return
  - ✓ MSC Enquiries
  - ✓ An enquiry by the Fraud Investigation Service (FIS) under Code of Practice 8, provided that at the culmination of such enquiry the policyholder is found not guilty of any fraud, fraudulent intent, or serious irregularities

Taxes, interest and penalties imposed upon the policyholder by HMRC in connection with:

- ✓ IR35 Enquiries
- ✓ Section 660A/Settlements disputes (provided add-on has been purchased)



#### What's not insured?

- ✗ Fees and expenses incurred by any representative other than Qdos
- ✗ Any claims where the circumstances are known at inception
- ✗ Routine preparation of accounts or returns
- ✗ Any dispute in respect of the National Minimum Wage Act 1998 or the Tax Credits Act 2002
- ✗ Where the policyholder has adopted a Tax Avoidance Scheme
- ✗ Any tax, interest or penalties due to HMRC in respect of any event other than an IR35 Enquiry or Section 660A/Settlement dispute.



## Are there any restrictions on cover?

- ! Endorsements may apply to your policy. These will be shown in your policy schedule.
- ! The policy will only react to HMRC enquiries and disputes where the policyholder receives a notification in writing during the period of insurance, and makes a claim within the Period of Insurance or Notification Period.
- ! Claims will only be accepted provided there is a reasonable chance of achieving a successful outcome should the matter be defended
- ! Claims will only be accepted provided the amount in dispute outweighs the expected professional fees incurred in defending an enquiry or dispute
- ! Tax interest and penalties due in respect of Section 660A/Settlements disputes are only covered provided the appropriate premium has been paid.
- ! The policy will only react to IR35 enquiries brought by HMRC under Chapter 8, Part 2 Income Tax (Earnings and Pensions) Act 2003 ("ITEPA"). Engagements undertaken that fall within the scope of the 'reformed' Off-Payroll Working Rules (Chapter 10, Part 2 ITEPA 2003), are not insured.



## Where am I covered?

- ✓ Great Britain and Northern Ireland, excluding the Isle of Man and the Channel Islands



## What are my obligations?

- All returns and accounts need to be filed within the relevant time limits.
- At the beginning of the period of insurance or when making changes to your policy, you must give complete and accurate answers to any questions you are asked relating to the insurance.
- You must take reasonable precautions to prevent loss or damage and to comply with all obligations and regulations imposed by any authority.
- You are required to notify Qdos of all material facts and alterations to the risk which come light during the period of cover.
- You must advise Qdos or the Insurer as soon as reasonably practicable of any incident that may give rise to a claim.



## When and how do I pay?

- Payment can be made online or over the phone with a Qdos representative.
- Payment can be in full or monthly.
- If opting to pay in full, payment is due on or before the policy start date by credit/debit card or bank transfer.
- If opting to pay monthly:
  - o An initial payment is due on or before the start date by credit/debit card or bank transfer. This will represent 1/12th of the policy premium.
  - o The remaining instalments are due by direct debit. Payment can be collected on 7th, 14th, or 21st of the month. A direct debit instruction must be set up within the first month of policy cover, otherwise the policy will be cancelled.
  - o When paying by direct debit, a £23.00 Direct Debit fee will be charged annually alongside the initial instalment.



### When does the cover start and end?

- This is an annual policy; the start date can be selected during your application.
- The start date can be today, or any date within the 30 days following your application. The policy cannot be backdated.
- The period of insurance will be specified in your policy schedule.



### How do I cancel the contract?

- You can cancel this insurance at any time by contacting Qdos.
  - o If you cancel within the first 14 days, you will be entitled to a full refund.
  - o If you cancel after the above, you will be entitled to a pro-rata refund after the deduction of a £20.00 cancellation fee.
  - o No refund will be provided if you cancel the policy after the insurer has paid a claim.