

Mr Paul Widdowson  
Head of Compliance  
Pension Scheme Services  
Fitz Roy House,  
Castle Meadow Road  
Nottingham  
NG2 1BD

Date 15 February 2012  
Your ref  
Our ref DAVIESIH/1-1  
Direct dial 0845 498 7601  
iandavies@eversheds.com

Dear Mr Widdowson

**Association of Member Directed Pension Schemes ("AMPS"): Relief at Source Declarations ('RAS')**

I am writing on behalf of AMPS to ask whether it would be possible for representatives of the AMPS committee to meet you and senior members of your audit team.

I understand you are aware from your email exchange with Robert Graves on 24 August last year that concerns have been expressed by some AMPS' member firms arising from correspondence with your audit teams about RAS declarations which those teams regard as deficient.

I also believe you are aware that AMPS have gone to tax counsel on this point. In some cases the interest penalties raised under the "simplified procedure" are of such magnitude they threaten the viability of the businesses of our members.

In our view there are certain examples where the position taken by the audit teams is harsh, especially as our own investigations suggest there have been no cases discovered of wrongly claimed tax relief. By this I mean that the repair process has not led to a discovery of wrongly claimed tax relief on pension contributions.

The position is not helped by the way the RAS Regulations are worded. The RAS Regulations require certain declarations **'to the effect that...'** rather than providing a specimen declaration which, with hindsight, might have been a better option. It does seem to us that the audit teams are taking the view that unless the precise wording of a particular regulation is adopted then the RAS declaration is non-compliant.

Given that HMRC have been looking at ways to simplify the RAS process it does seem sensible if a specimen declaration could be agreed between AMPS and HMRC to avoid further instances of non-compliance occurring in the future.

We would also like to discuss with you, in principle, some of the pending cases and the way in which HMRC treat future discovered cases of historic non-compliance. In some instances we have seen fairly acute consequences of interest penalties being raised in respect of RAS declarations made shortly after A-Day but only recently unearthed.

**Eversheds LLP**  
1 Callaghan Square  
Cardiff  
CF10 5BT

Tel 0845 497 9797  
Fax 0845 498 7333  
Int +44 29 2047 1147  
DX 33016 Cardiff  
www.eversheds.com



car\_lib1\6310977\1\hendrig

Date 15 February 2012  
Your ref  
Our ref DAVIESIH/1-1  
Page 2

Clearly, it is important that both AMPS and HMRC understand each other's position and we very much hope that a meeting to discuss this issue will go some way to resolving the problems that have come to light over the last 12 months.

I look forward to hearing from you.

Yours sincerely



**Ian Davies**  
**Eversheds LLP**