HMRC - CH880200 - What Is Dishonest Conduct

‘Dishonest conduct’ is when the tax agent does something dishonest with a view to bringing about a loss of tax revenue in the course of assisting clients with their tax affairs. It does not matter whether there is an actual loss of tax.

Dishonest conduct is not negligence, nor is it poor quality work by a tax agent.

If you suspect dishonest conduct by tax agents you must contact the Agent Compliance Team (ACT) for advice, see CH880400. You must not investigate the dishonest conduct yourself. Specialist officers within ACT will investigate the full extent of the tax agent’s dishonest conduct if we decide to pursue a civil penalty.

Dishonest conduct is explained at CH181100 and the types of dishonest conduct are set out at CH181120. There is a useful test - the Ghosh test - that is explained at CH181140.

The following examples illustrate dishonest conduct by a tax agent that HMRC officers may come across in their day to day work.

For examples of a tax agent dishonestly doing something, see CH880210.

For an example of a tax agent dishonestly omitting to do something, see CH880220.

For an example of a tax agent advising or assisting a client to do something that the tax agent knows to be dishonest, see CH880230.

Where an agent

disrupts and delays our checks, see CH840000

causes a loss of tax through their poor technical ability, see CH845000

generates false repayments of tax through suspicious registration and repayment activity, see CH850000

is rude, abusive, threatening or violent, see CH855000.

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