

HMRC is wide open to abuse because of a lack of staff

Published: January 22, 2026, 5:18 pm

The [Mail has reported](#) that a carpenter in Hull has been convicted of defrauding HMRC by retrospectively adjusting his on line tax returns to claim tax refunds of money he was not due. As they say:

Mitton then tried to reclaim £126,181 in 'overpaid' tax in eight months last year and managed to get £88,741 back.

And as they add:

It is lawful for people to submit amendments, taking into account expenses and income, which are then checked by the tax office.

The sting is, however, in the tail of the report:

But the court heard that checks are becoming more infrequent because of a lack of resources.

Severe cuts at HMRC forced 14 offices to close and almost 700 staff members asked to take voluntary redundancy last year.

Prosecutor Joanne Jenkins told the court: 'The position is that HM Revenue and Customs operate on a "pay now, check later" basis.

'Amendments are checked later, if there are any concerns. I am told that the checking happens more and more infrequently due to a lack of resources.'

Ms Jenkins said she had been informed this sort of fraud 'is happening and has happened before' and added: 'I would hope that cases like these show the need to check.'

I added the emphasis.

And I am also told that these checks are now incredibly rare.

In effect HMRC is laying itself wide open to abuse.

Should anyone really be surprised **we have a massive tax gap?**

And in that case why should anyone really be surprised that I think it worth investing more in staff at HMRC?