

## Is HMRC engaged in a policy of victimisation for the sa...

Published: January 13, 2026, 9:24 pm

---

This was [posted on Reddit](#) yesterday:

*I work on the Undeclared Partner remit for HMRC Benefits and Credits. Basically, I check single tax credit claims when we suspect that the claimant is hiding thier partner (and partner's income) in order to claim money they aren't entitled to. Usually we check tax systems and credit reports to find evidence that the claimant is living with someone else. However, in November (running up to Christmas) we have been assigned 'DWP work'. Which means we are going after single tax credit claimants who are in joint DWP benefit claims (ESA, JSA, DLA/Carer's).*

*This also includes retirees aged 65+ who are claiming state pension, when another adult at the address is also claiming stars pension and sometimes pension credit. These claimants have probably never claimed tax credits thier entire lives and almost all of them are retired. They have low and stable incomes - usually small pensions and state pension. Its completely unreasonable to suggest that any are committing fraud. Yet we treat them as of they are.*

*In this scenario lets say that a 74 year old is claiming CTC for her resident grandchild. Her income is only £8000 a year, and this is unlikely to change (she's unlikely to start employment and pensions tend to be stable year after year). She has neglected to include her 78 year old husband on the claim. His income is £9000 a year, bringing the total household income upto £17000. We can see this information.*

*The single claim is worth £3800 (family and child element). If she was in a joint claim with her husband, the joint claim would still be worth £3800 as the household income remains below £20,000 and the elements remain the same (family and child). The claim began in 2015. However, HMRC didn't check the claim until November 2016. The claimant phones and confirms that she and her husband live together. The single claim is terminated using the household breakdown date of 06/04/2016. Any money recoeved between 06/04/2016 and the date the claim was terminated has to be paid back as part of an overpayment. Lets say this is £2000. The claimant can then make a joint claim, and would recirve approximately £1800 for the remainder of the tax year.*

A) HMRC records the 'losses prevented' as 3800 (its actually 2000, but this isn't taken into account).

B) the claimant has to pay back 2000.

C) the claimant is only entitled to £1800 for a joint claim that is no different than the single claim other than the inclusion of her partner.

D) because the check was only performed in November (using information available at the start of the year), the overpayment has been allowed to build up for 8 months. If it was checked earlier, the overpayment would be less and the claimant would be entitled to claim more as part of the new joint claim. So, the later HMRC checks the information the more money reclaimed through repayment, and the less money paid out to the claimants.

E) the customer has effectively been given a £2000 penalty. (To get a penalty that high, the tax credit award usually has to be around £7000 pound).  
This work, I suspect, has only now been assigned to HMRC staff because people with very low income who are claiming benefits and pensions are seen as "easy pickings". The work should have been completed as close to 06/04/2016 as possible to reduce the impact on claimants. However, its been left to late into the tax year so that repayments are larger and subsequent payments to claimants as part of any new joint claims are minimised. Throughout the year the 'hit' rate is around 20 percent. That is, every 10 cases checked 2 will end up being terminated as "error or fraud". But with the benefit work, the hit rate is expected to rise. The yield claimed from each case is let, but the number of cases due to be terminated in the next few weeks means that the actual yield recorded will be higher than any point in the tax year. This coincides with criticism directed at B&C that not enough risked cases are being opened as examinations, and not enough yield is being recorded from terminated claims.

So, in the weeks before Christmas a lot of 65+ claimants are going to find thier award terminated and a letter demanding repayments of around £2000. These people aren't committing fraud. They are old, retired. Probably never claimed in thier lives. Many will be computer illiterate. Some will have next go no understanding of the system. Some will be in poor physical and psychological health.

A lot of auffering is going to be caused by this. But who cares, so long as the Director of Benefits and Credits can report the 'successes' of the work performed in termed of greater yield and money reclaimed?

And people like 'Mary', who was fraudulently claiming 6000 a year in tax credits by hiding her husband 'Tom' and his £70,000 a year wages, and putting her tax credit payment into a savings account? We dealt with her back in June. She had a couple months overpayment to pay back (she would have just taken it out of the savings account) and a small penalty. She'll probably have a great christmas, whereas 80 year old Ethel who has dementia and can't work a mouse is going to find herself without

*heating and unable to buy a present for her dead son's child who she and her husband care for.*

This feels genuine and informed.

Has anyone any further information on this use of HMRC time?

Has a minister been asked to comment on the objective of pursuing what are, at most, technical errors?

Has anyone a copy of instructions to staff on this issue?

If this interpretation is true HMRC would appear to be engaged in a policy that might best be called victimisation in pursuit of meaningless performance targets. And unsurprisingly, that worries me, greatly especially when one of HMRC's greatest priorities should be ensuring that appropriate sums are paid irrespective of minor technical issues.