

## **Don't be doubly disadvantaged by clawback, warns NASDA**

Dentists whose Primary Care Trusts are reclaiming money paid out for Units of Dental Activity which have not been delivered are advised by the National Association of Specialist Dental Accountants (NASDA) to make sure they don't lose out a second time by being taxed on income which has been clawed back.

Nick Ledingham, media spokesman for NASDA, said that practitioners whose accountants were not experienced in dealing with dentists or familiar with the details of the dental contract might neglect to make provision for the clawback in January 2008. He said: "Dentists should make sure their accountant knows that some of their UDAs have not been delivered and the PCT intends to reclaim the money they paid out."

"The way that 'Payment on account' works, dentists could inadvertently pay a total of 60 per cent of the clawback in tax in January. It really is worth making sure an adjustment is made to reflect the clawback."

Mr Ledingham estimated that around 20 per cent of dentists had not delivered a percentage of their UDAs. The highest sum he knew one Primary Care Trust to be reclaiming was £50,000. Some PCTs were being more relaxed if there was only a minor underperformance of UDAs.

The question of clawback and how payments for UDAs should be reflected in the annual accounts of dentists is on the agenda for the NASDA conference at the end of this month. More than 30 accountants who specialise in the business and tax affairs of dentists will gather to discuss a range of issues and solutions for helping NASDA member clients.