



All-Party Parliamentary Loan Charge & Taxpayer Fairness Group

www.loanchargeappg.co.uk

Jim Harra
Chief Executive and Permanent Secretary
HM Revenue and Customs
100 Parliament Street
London
SW1A 2BQ

21st February 2022

Dear Mr Harra,

Factual questions unanswered by HMRC and the Treasury regarding the Loan Charge

It is source of ongoing frustration and concern that it seems impossible to get straight answers to letters and Parliamentary Questions about the controversial Loan Charge. Parliamentarians, including those on Select Committees, are not given direct answers

Many attempts have been made to establish how much the Loan Charge, on its own and separate from the wider package of measures, is actually predicted to raise. Many other key facts and figures have not been forthcoming which, considering that eight people subject to the Loan Charge have taken their own lives, is simply not acceptable. Another is that HMRC and the Treasury have not yet answered questions as to how many taxpayers will become insolvent as a result of the Loan Charge despite acknowledging that this will happen. It is the duty of the civil service to give a full and accurate picture of a Government policy with open, complete and honest answers. This has simply not been what has happened with the Loan Charge as we and other have documented regularly, including in our Loan Charge Inquiry reports and previous letters to HMRC.

We are therefore writing with some very simple, factual, questions to which we want and expect simple, factual answers. We hope these answers will be forthcoming and devoid of the usual accompanying rhetoric that seeks to divert and confuse. We do not want or need further explanations around these – just the answer to the questions posed.

1. As of 1st February 2022, according to HMRC's own figure, how many people face the Loan Charge?
2. As of 1st February 2022, what is the mean average Loan Charge figure for all of these people who face the Loan Charge? (Please do not respond with the median or the mode, we are asking for the mean).

Co-Chairs: Sammy Wilson MP, Greg Smith MP, Mohammad Yasin MP
Vice-Chairs: Baroness Kramer, Dr Lisa Cameron MP, Gerald Jones MP, Sarah Olney MP, Rushanara Ali MP

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3. As of 1st February 2022, how many people have paid the Loan Charge itself (separate to any other settlements that may have been reached with HMRC to avoid the Loan Charge)?
4. How much money is the Loan Charge alone, separate from the wider package of measures, predicted to raise? *(We do not want the £3.2/£3.3 billion figure which, as you know, is for the wider package of measures that includes the Loan Charge; we want the figure for the Loan Charge alone, this is very important).*
5. How many bankruptcies have there been of people who faced the Loan Charge? *(We are not interested in why or how they became bankrupt or whether or not they may have had other debts, we are asking a simple factual question which is how many people who have faced the Loan Charge have gone bankrupt).*
6. HMRC have acknowledged that there are some taxpayers who will become insolvent as a direct result of the Loan Charge but so far HMRC and the Treasury have refused to say how many people they predict will. HMRC must therefore have an estimate of how many taxpayers they believe will become insolvent as a result of the Loan Charge, so please give us this estimate? *(We are not interested in the usual rhetoric about HMRC “nor wanting to” make any bankruptcy, bankruptcy being a last resort etc, we simply want this estimate figure, which HMRC must have).*
7. With regards to settlements that people have entered into, to avoid the Loan Charge, how many people had settled with HMRC prior to 1st February 2022?
8. How many people paid the settlement amount in full?
9. How many people are paying the settlement amount in instalments?
10. In terms of the timespan that these instalments cover (a) what is the shortest time and (b) what is the longest time and (c) what is the mean average time period.
11. How much of the disputed tax that is being demanded by HMRC, through the Loan Charge (and settlements to avoid the Loan Charge), has been paid by those who promoted, recommended and operated the schemes now subject to the Loan Charge?
12. We know that there have been no prosecutions of any individual or company for promoting, recommending and operating schemes now subject to the Loan Charge. Has any other action i.e. civil or criminal been taken by HMRC against any individual or company for promoting, recommending or operating the schemes subject to the Loan Charge?

Many Parliamentarians have been seeking the answers to these questions for some time and have been continually met with a resistance to answer them. They are key questions and they must be answered properly, factually and directly.

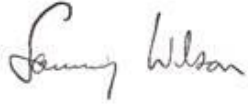
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We look forward to hearing from you.

Yours sincerely,



Sammy Wilson MP
Co-Chair



Greg Smith MP
Co-Chair



Mohammad Yasin MP
Co-Chair

Cc House of Lords Economic Affairs Committee/Finance Bill Sub-Committee
Treasury Select Committee

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