



Loan Charge Update - Personal Statement
Individual who has settled - Form 2(b)

Loan scheme(s) used / operator(s)

Bank Of American Employee Benefit Trust, RBC CEES were the Trustees

Approximate liability (nearest £5K)

£460,000

Settlement total figure

£460,000

If your loan has been subject to recall demands :

Who is demanding repayment ?

RBC CEES

And for how much in £

£1,435,477

Further demands from HMRC

How many months/years using loan arrangements

18

Other Money paid (APNs, Penalties)

Table with 3 columns: Date of Settlement, Settlement period (years/months), % of net income per month. Row 1: 14-Jan-21, immediate, 950

The impact of settlement on you financially

Fortunately I was able to afford to repay my loans and therefore when I settled, the settlement came out of the funds in the Trust.

The personal impact (financially and in other ways) if HMRC enforce the Loan Charge as laid down in the legislation

While I have no genuine issue with the desire of HMRC to recoup tax that hadnt been paid, I argued with them for years as they wanted to charge me my employers NIC contributions as part of my settlement. That would have cost me roughly £148,000 more. My former employer, Bank of America made it clear that they had no interest in paying their fair share. The real issue I had was that as a result of the above, in April 2019 HMRC wanted me to pay a loan charge of £650,000, roughly 52% of what was in my Trust - a far higher rate of tax than I would have paid originally. I chose to repay my loans instead. After the Morse report, loans taken before 2010 were exempt from the loan charge. However, I had repaid mine. People who ignored HMRC and refused to pay the charge were rewarded for this by getting to keep their loans for eternity. However, I followed the law and obeyed HMRC. As a result, I ended up £460,000 out of pocket. This is a deeply unfair way to treat people who follow the law over those who don't.