



Loan Charge Update - Personal Statement
Individual facing the Loan Charge - Form 2(a)

Loan scheme(s) used / operator(s)

Darwin Pay

Approximate liability in £ (nearest £5K)

£35,000

Amount in £ of any money paid to HMRC so far e.g. APNs, Penalties (nearest £5K)

If your loan has been subject to recall demands :

Who is demanding repayment ?

Felicitas

How many months/years using loan arrangements

And for how much in £

£70,000

Report of any action to date by and latest communication from HMRC

Being handled by WTT Consulting as I was getting depressed by HMRC bullying and harrasment, including backdating letters, making up figures and lying about me breaking the law and the powers they had to demand information.

The personal impact (financially and in other ways) so far

I have had 10 years of HMRC bullying and harrasment over a debt they know has never legally been proven, I settled 2010-2011 with CLSO1 only to later find they might want more via IHT.

I tried to settle and offered every single penny of missing tax as calculated as either a Ltd company contractor, self employed sole trader or employee and this was refused, only PAYE + IHT + Interest + Penalties was offered, this means a bill of around £30,000 and rising (with IHT) when the genuine tax gap compared to any other self employed worker was about £11,000.

I was earning about £45k per year, the Umbrella deductions were about 20% and seemed inline with expectations and they insisted all tax would be paid by them - all was declared on the 1st tax return which HMRC never questioned.

This has caused a lot of costs to fight, and huge stress to family.

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

It will have a huge impact, with a young family and a mortgage to pay I cannot afford to pay the amounts demanded, I had 5 months with no work during COVID - and ZERO government support.

I have been unable to find outside IR35 work so now pay employers and employees taxes, but still have to buy own computers and software for work, also work has dried up post pandemic and rates are lower - I am runnign at about 30% less pay, and with baby the wife cannot work as her job paid less than child care costs, and even if she returns to work with the 30 hours child care the nursery still want £700 per month on top - and she took home £1100 with a £200 a month fuel bill.

We would never recover from this demand, I have little in the way of pension provisions, no job security in a dying (UK) industry and it will not only harm me, but wy wife and children.

The money I had set aside to pay HMRC the genuine tax gap has been eaten into while I was out of work. The reality is we would probably have to sell our home to cover this.