



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

Loan scheme(s) used / operator(s)

AML

Approximate liability in £ (nearest £5K)

£100,000

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 ?

How many months/years using loan arrangements

And for how much in £

0 years. 1 off payment due by 24th Marc

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

September 2020 - Unfortunately i was unable to come to a settlement arrangement under the September 2020 terms as an astronomical sum (£65,000) was being requested within an unreasonable payment duration (30days). I requested further additional time to explore my options with HMRC but they never response to the email sent to cl.resolution@hmrc.gov.uk (CFSS-XXXXXXX) May 2021 - I further reached out to HMRC as a significant time had elapsed without any correspondence regarding the next steps for settlement. Nov 2021 - I was allocated a Counter Avoidance case worker called XXXXXXXXXXXXX who recalculated my total tax liability at £84,560. As sum that i was ill prepared for as I was struggled to comprehend the previous sum Feb 2021 - XXXXXXXXXXXXX then informed me that the total tax liability had once again been revised to approximately £100,500 at which point I threatened to commit suicide as this was a disastrous sum of money that I felt was unjustly levied. HMRC even called an ambulance as the distress was palpable when they were not able to contact me on the phone, having requested a call back. Fortunately, I was on the school run picking up my children.

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

This situation has been a total disaster and is the one issue at this present time that is ruining my life and it has had a considerable impact on my mental health and overall wellbeing. I have informed HMRC on several occasions that I was advised to use AML (Umbrella) by a chartered accountant as I was venturing into private consultancy work for the very first time. I had no intention of defrauding the government or gaming the system. I was only using the recommendation of a certified accounting who had advised me that AML was the best route for managing my accounts. Not once did I contemplate I would be in a situation such as this after all the hard work I have put into my education and professional career. Financially, if I were to settle under the 2017 terms all my life savings will be stripped from me / my family and I will no longer have a safety net in the event of adverse circumstances related to my career but now I am having to deal with the potential of £100,000 tax liability. This is too much for me to take. I have expressed feeling of being suicidal to HMRC in both written and on several conversations to HMRC but they do not seem to care and just want their money. Nothing else matters, not even my demise although I have a wife and 2 children! I have expressed my willingness to end this episode and complete a 1 off payment of £67,000 but this is no longer viable to HMRC. I have failed to appreciate the implication of not agreeing to the previous terms and the associated interest charges that would be incurred afterwards and now I am facing complete ruin both financially and emotionally. This loan charge has been an utter disaster and HMRC are treating people unfortunately caught in this mess with utter contempt and disdain. I just want this thing to end but at present, I feel as though I have laid out all my cards to HMRC but enough does appear to be enough for them. Not until they have their pound of flesh.

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



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If HMRC were to enforce the Loan Charge in legislation, this will be a total disaster and I will definitely face financial ruin and possibly a mental breakdown. The recalculations post the 2020 terms have completely impacted me and my mental health has drastically deteriorated. Financially, I am not in a position to pay over 100,000 in 30days as requested by HMRC. This is not at all realistic! The Morse report did not go far enough and should have extended to 2016, when it was clear these schemes were not right and proper but to retrospective punish people for unfortunately using these payment arrangements, in my view is undemocratic and it's a change to the law to suit to correct a situation that was perfectly right and proper under the previous law. My life has essentially been on hold, waiting for a just decision on the Morse report which never came. Then making, what I deemed to be an acceptable offer to HMRC and now being levied with an enormous charge of over £100,000. This situation is completely out of control and I think will be the end of me.