



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

Loan scheme(s) used / operator(s)

AML - PBT self-employed, based IoM, SmartPay - Employee based product, based Blackpool

Approximate liability (nearest £5K)

£76,000

Settlement total figure

£50,000

If your loan has been subject to recall demands :

Who is demanding repayment ?

Further demands from HMRC

And for how much in £

How many months/years using loan arrangements

2 years

Other Money paid (APNs, Penalties)

Table with 3 columns: Date of Settlement, Settlement period (years/months), % of net income per month. Row 1: 01/04/2021, 10 years, % of net income per month.

The impact of settlement on you financially

I have been coerced into signing a slave settlement agreement by HMRC. I paid £25k & will be pay this debt at £421 per month (unless HMRC try to increase the montly payment at some point in the future), including both back and forward interest, until I am 70 years old. I am a contractor, so my work and day rate is unpredictable and I can experience periods between contracts when I am ineligible to claim benefits. If I fail to make a single payment within 14 days of the due date, I will potentially become subject to the Loan Charge again under the terms of the agreement. This, however, is not a full and final settlement as I am still potentially subject to the threat of IHT, in other words, being taxed twice on the same amount. HMRC seem to have no problem in holding the position that loans are not loans and subject to income tax and at the same time loans are loans and subject to IHT. This means I am unable to get the loans written off as this could trigger a taxable event, which leaves me vulnerable to loans being subject to recall demands. I simply cannot afford to pay any IHT as well, so cannot get peace of mind.

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

The personal impact has been horrendous. The stress has felt unbearable and I have had suicidal thoughts, sinking into deep depression, which has negatively impacted my marriage to my wife who is disabled and financially dependent on myself. I am still on anti-depressants to manage my illness and help me function daily. From an FOI, I have evidence that HMRC knew I was in a scheme, to which I was introduced by an accountant who turned out to be a criminal, after 6 months in the scheme, but failed to warn me and open an enquiry until 1.5 years later. By then it was too late. I sent this evidence to LC APPG. Of course, the huge injustice is that promoters and all the other facilitators e.g. accountants, tax advisors, QC's etc have got off scott free and are still plying their trade, mis-selling to new victims. Indeed, some of their illgotten gains have found their way into Tory party donations!