



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

Loan scheme(s) used / operator(s)

Hyrax, K2, Hamilton, Pinotage, All via Peak

Approximate liability in £ (nearest £5K)

£40,000

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

£7,750

If your loan has been subject to recall demands :

Who is demanding repayment ?

FSC

How many months/years using loan arrangements

And for how much in £

4

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

Attempted to settle (3 yrs of negotiations!) pre September 2020, but HMRC refused to take into consideration APNs of significant value that had already been paid by the company. On September 30th 2020, HMRC finally conceded and agreed to accept that the APN's already paid could be 'offset' and values remove from the scope of the LC, but it was too late. Deadline missed. Appeal to settle on 2019 terms refused. TTP set up. Heard nothing since. Case it still open.

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

n 2012, I was advised by my ICAEW/CIOT registered chartered accountants, Tax Advisers and Company Auditors to invest in legal (at that time) QC approved tax planning schemes. Between 2012-16, part of my salary was paid through PAYE, and part through loans via a trust (EBT). These amounts were recorded annually on my SATR's with the relevant DOTAS scheme numbers assigned - and were never challenged by HMRC during this time. In 2016, when HMRC announced that (from 2017) these tax planning schemes would no longer be considered legal, I immediately withdrew from them. My company (as my employer) received several APN's, which in HMRC's view, covered the PAYE, (Tax & NI) for those who had participated in these schemes. Despite representations from our tax advisors and the loan trustees, as a Ltd company (and family business) there was no option but to pay the APN's or be forced into voluntary liquidation. This was not an option. The company agreed a TTP with HMRC, and repaid the full amount, firmly believing that this was the total liability for all employees PAYE, NI, personal tax etc. In 2018, I learnt that the APN's the company had paid did NOT include the employees Tax so I

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

I am 67 years old, now retired, and have no idea of 'what comes next'. I am still waiting to conclude my tax affairs, but have meanwhile paid a 'lump sum' on account and set up a monthly TPP for the max I can afford to pay. This whole scenario has had a catastrophic effect on my life and family, my physical and mental health, sleepless nights and constant worry. The uncertainty of 'not knowing' if - our when - this will ever be concluded hangs over me. Every year - after submitting my SATR's - HMRC have 'opened an enquiry' into the tax year, but never actually followed through with the enquiry. But this does mean that I have ALL open years, going back to 2016. Every day is traumatic, awaiting yet another letter - and request for the same information over and over again - from HMRC. I have written to my MP numerous times, and only ever receive back standard templated letters written my HMRC or HMT, the contents of which can be argued and disputed. Its a very frustrating