



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

Loan scheme(s) used / operator(s)

Partnership Benefit Trust, Operated by AML

Approximate liability in £ (nearest £5K)

£65,000

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

£46,000

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 £

22 Months

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

In 2017, 2 years after I had left the scheme HMRC sent a request for payment of £76,387 within 30 days for the 2013/14 period. Despite the fact that this figure represented 135% of the value of my loans it took almost a year to get a revised figure from HMRC. At that point through my own investigations I became aware of the 2019 loan charge, something that HMRC never notified me of until June 2018. AML did not inform me of the 2019 loan charge until I had pursued the issue with them. Their response was not to support me in the scheme they had promoted but to attempt to sell me another ill-conceived product to avoid the loan charge. Throughout this whole period I have received an increasing number of letters from HMRC designed to intimidate and bully me into accepting settlement or else the loan charge would be applied and I would be subject to all kinds of undisclosed fines, charges and punitive fees. Bear in mind I have not done anything illegal and have paid all taxes and NI due so to receive this sort of treatment from an organisation as powerful as HMRC is very distressing. The calculations attached to the bill included additional dividend tax through my Limited Company for the period 2013/14. This was directly as a result of the settlement tax being applied retrospectively to that period. There is no channel open to question or challenge this opinion and no way to amend my share of dividends for the period either. The settlement letter provided by HMRC for me to sign asks me to agree that I have failed to meet all of my statutory obligations. It also asks me to forego any right of appeal, even under common law in any circumstances. This felt more like blackmail than a settlement opportunity.

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

The settlement offer states that if I went ahead I would have 30 days to pay. I didn't have £65,000 to pay the bill. I re-mortgaged the family house to raise sufficient funds to pay 50% of the bill. I cannot guarantee future employment so in order to raise sufficient cash to pay the remainder and avoid the forward interest of an additional £3,000 as well as 5 years payments of £600 per month I sold the small flat we had bought as part of my retirement plan. I have a wife and two children. I know this was not my fault but I feel a huge burden of guilt that my decision to enter this scheme has resulted in such a large negative impact on the family, our current plans and plans for the future. Add to that the sleepless nights I have had, the intense feeling of injustice, the anxiety and complete lack of clarity offered by anyone then it has taken its toll on my health as well as my relationship. I want to put this behind me and move on but I feel that no matter what happens I will always harbour feelings of injustice and resentment. The loan charge is the first and last thing I think about every day. It preoccupies my mind and I have very little concentration for my work during the day. The amount of incorrect information produced by HMRC and misrepresentation is very frustrating and worrying. I feel like I am being treated as a criminal who is somehow looking to get away with something I shouldn't. The truth is I have done nothing illegal and pray for an end to this matter and to get my life back.

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



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As things stand I have declared the full value of my loans as present day income in my self assessment tax returns which has resulted in approximately £46,000 in tax bills. The enquiries remain open and HMRC are still requesting that I settle under the 2020 terms so despite complying with the requirements to declare my loans and pay the resultant tax I still have no full and final resolution to this nightmare. I am in constant fear that the loans will be recalled and I will find myself in a situation that I will be unable to cope with. HMRC have written to me asking for me to provide the full value of my loans so that they can calculate settlement under the 2020 terms. As well as declaring this information on my SATR I have provided it to HMRC at least 6 times over the last 5 years. I am desperate for full and final closure to this issue but don't believe that there is any way to achieve that other than to falsify my declaration to state that I have failed to uphold my statutory obligations and waive any future right of appeal. Family life has been seriously impacted by the loan charge and future plans for work and retirement have been significantly impacted. Without a change I face years more work to repay the mortgage on my family home and as a result will have insufficient savings to be able to retire when I should. Children also suffer as a result of less money available and the pressures that puts on family life.