



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

Loan scheme(s) used / operator(s)

Dynamic Partnerships , BestPay

Approximate liability (nearest £5K)

£87,000

If your loan has been subject to recall demands :

Who is demanding repayment ? Felicitas

And for how much in £ £178,000

Settlement total figure

£87,000

Further demands from HMRC

How many months/years using loan arrangements

3

Other Money paid (APNs, Penalties)

Table with 3 columns: Date of Settlement, Settlement period (years/months), % of net income per month. Row 1: 19/12/2020, 9 years 8 months, 11

The impact of settlement on you financially

Additional borrowing to pay intial £ 25k with remainder paid over 9 years. Manageable but HMRC have open enquiries for 2 other tax years 2016/17 and 2017/18 for my final 2 years of contracting. No response from HMRC on 2 open years despite my writing and chasing. Having settled with HMRC for the years 2012/13 to 2015/16 I have the added headache and legal expenses of trying to see off Felicitas who are trying to extort 'loan repayments' for the very amount I have settled with HMRC for tax. HMRC of course dont want to get involved. Felicitas bought the loan book from Dynamic Parnership trustees. They have offered to write off the loans for 5% payment and more recently in return for £ 450. HMRC response, in summary, is thanks for settling but we cant help, these schemes are not illegal but they dont work, you must pay but we wont help or protect you.

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

No doubt I face years more stress and uncertainty and I expect to hear from HMRC in 7 years time (if not before) demanding sums for open enquiries at the point I would be expecting to retire. I have kept my own counsel on this and internalised the stress so my Wife and Family dont feel the impact. I feel stupid because I was mis sold these schemes as legally and tax compliant when I first went into the self employed contracting world. I was contacted by no less than 17 umbrella companies in my first week all offering 80-85% take home, simple payroll solutions without the hassle of running a company. New to the market, I was exploitable and exploited. I did not decide to avoid tax I just accepted offers of service.HMRC waited 3 years before contacting me to say I owed money after 3 tax returns. A few years later I stopped contracting and went back into full time employment because I lost faith and trust in the self employment system, HMRC and promoters in particular. I accept responsibility and some pain. HMRC need to do the same and these promoters need to be prosecuted. If retrospective laws can be enacted to punish me then do the same to promoters?