



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

Loan scheme(s) used / operator(s)

Credence, Audacia , Provident

Approximate liability (nearest £5K)

£185,000

Settlement total figure

£185,000

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

6 years and 3 months

Other Money paid (APNs, Penalties)

£5,000

Table with 3 columns: Date of Settlement, Settlement period (years/months), % of net income per month. Row 1: Sep-19, N/A, N/A

The impact of settlement on you financially

I would like it to be known that the schemes I entered in 2011 as a first time contractor were as advised legal and it was an acceptable way to be paid in light of IR35 consequences and that all my taxation would be in line with the tax law at the time. Sadly the impact of the situation was that I had to sell the family home and also use £100k life insurance money left to me following my wife's death in 2017. I had to do this because the settlement terms offered to me over a 5 year period would have meant paying back approx £3,109 over 58 months with the remainder to be paid in 2 separate instalments. There is no way I could pay back in the instalments so the only option was to sell the family home of 21 years and pay off the entire amount. The consequences have been devastating, from a position I believed was entirely above the law and if I had known more or have been told by HMRC of any future consequences I would never have been involved - I did all the due dilligence at at no point did I believe I was breaking the law with my accountant confirming was I was doing was within the confides of the law at that moment in time.

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

From a personal impact I had to move away from my parents, with my dad at the time dying from cancer and not being able to tell my children why we had to move. Whilst going through the entire excercise I could not bring myself to speak to HMRC and was required for my own sanity to employee and accountant to deal with the situation, costing a further 6k.
In addition, I was planning to provide my children with money from the life insurance settlement on my wife's death in 2017, but sadly this is not possible as all monies along with the sale of my house had to pay off the settlement, otherwise I would have been made bankrupt if the loan charge had been applied.
I still have nightmares regarding the entire situation and have been traumatised by the fact that a law can be invoked in 2017, not really understood by the MP's but still passed that can go back 20 years - so sad that this situation has been allowed to happen and caused huge uncertainty in my life.