



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

Loan scheme(s) used / operator(s)

AML , Smart Pay

Approximate liability in £ (nearest £5K)

£40,000

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

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 £

5

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

Last comms was dated 22 Oct 2021 - a check on SA tax return for 5 April 2019 requesting information. Forwarded to WTT who responded on my behalf.

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

As someone who - like most I suspect - was mis-sold the arrangements and believed them to be HMRC compliant the first news that there might be an issue with those tax years came as a bombshell. Since April 2018 when we were first made aware it has been a waking nightmare. I was approaching 60, had just re-located to the south west and was looking to set up a small business to keep me ticking over, as my pension was minimal and I had no savings to call on. Then this. It would have wiped me out financially and although I was keen not to fall out with HMRC I was angry as I felt that they were chasing the wrong people. In the months following this news I had to see my GP several times as I was suffering from insomnia, anxiety and for the first time in my life I was put on 3 different drugs for hypertension. Since then, I have had numerous exchanges with HMRC and I find them vindictive and inflexible. I have now joined WTT as I feel I need the backing of people who know what they are talking about. The Loan Charge hovers over our heads like a black cloud. It never goes away and my hypertension remains.

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

If the Loan Charge is enforced it will wipe out my business. I have a modest little biz (under the VAT threshold in terms of turnover) and it's just enough to give me a small income each month. If I am forced to pay this charge - which does nothing to close the outstanding years - I will be forced to sell capital equipment and I will have to shut up shop. I won't work again. We live in rural Cornwall and there's plenty of unemployment amongst the young, fit and healthy. Who's going to employ a 61 yo with hypertension? I invested my modest pension pot into setting up the biz. We would have to sell up and find somewhere smaller and cheaper. It makes me angry that this will affect my partner, who has done nothing to deserve this and has lived under the same stress as I have for the last 4 years. I would have to somehow bridge the years until my state pension kicks in.