



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

Loan scheme(s) used / operator(s)

Principal Contractors Ltd

Approximate liability in £ (nearest £5K)

£60,000

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 :

£15,000

Who is demanding repayment ?

How many months/years using loan arrangements

And for how much in £

3 yrs

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

HMRC refuse to settle on the basis that they consider me to have been employed, I wasn't. I have raised this to my MP, the Chancellor, the First Secretary's to the Treasury, and I've submitted formal complaints. HMRC's Reg 80 and Section 29 demands have been appealed and are still open.

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

I have had years of sleepless nights since April 2018 when I was first contacted about the loan charge (by the loan provider, not HMRC). I've suffered many panic attacks, which often are triggered by the arrival of brown envelopes from HMRC (always a Friday). I've been in a perpetual state of high stress, with bouts of depression. This has changed me for the worse and the ill effects are witnessed by my wife and my children. I'm ashamed to admit to having lashed out at the people I love, that loved me, in moments where the pressure has become too great and our relationships have already suffered badly. I'm doing everything I can to get back to being the best husband and best father like I used to be, because I know its not their fault. I also know its not my fault either. I know i've done nothing wrong, yet HMRC are hellbent on punishing me. Punishing me for their own failures. So the truth is im a victim. I'm sick to the core of this. Im sick of being expected to know all the tax rules within an enormously complex tax system (thats what accountants are for). I'm sick of the truth being ignored. I'm sick of HMRC's evasion of fairness and honesty. im sick of paying for HMRC's, Treasury, Parliament, Accountants and Lenders mistakes.

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

Including expenses my self-employed settlement should be £15k. HMRC instead ran the clock down and refused settle at the last minute, stating i was not self-employed. As this was fundamentally wrong and time had ran out, I paid HMRC £15k in good faith including interest, I trusted that HMRC would see sense. Instead HMRC demand I make a flase declaration (that i was employed) and charge me and my company a much larger total of £60k. This and the LC (also circa £60k) both excludes the normal accounting of expenses and dividends which means i'm not to be treated fairly. The LC also unfairly fails to apportion accountability across all of the parties responsible. I cannot afford a debt this size, even with repayment terms over the maximum 7 years. This will mean i'll go bankrupt, will loose my home to the mortgage lenders. This will mean divorce, and as a bankrupt individual I'll not be able to work in the industries i currently do. The outcomes are such that my family will be torn appart, my children will suffer the negative outcomes of a broken family. I'll be destitute, isolated from and unable to support my family, I'll be dependent on benefits. As a family man I will not survive this fall and HMRC still won't get the unfair amount of money the legislation permits them to demand.