



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

Loan scheme(s) used / operator(s)

AML (PCL, SP Management Ltd) ,Integra Resourcing Ltd

Approximate liability (nearest £5K)

£27,000

Settlement total figure

£38,000

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

5 years and 3 months

Other Money paid (APNs, Penalties)

£2,000

Table with 3 columns: Date of Settlement, Settlement period (years/months), % of net income per month. Row 1: 23/09/2020, 5 years, 20

The impact of settlement on you financially

My loans were charged largely at 20% for being a lower rate tax payer. If i had gone down the Loan Charge route of the loans assessed in one or three years my liability could of been in the region of £60-£70,000 so i had no choice really except to agree to the enforced settlement terms. Since 2018-19 my earnings on average have been at least (£49,000). Half of my loan years ocured between 2012-13 to 2014-15 where HMRC were out of time to raise an enquiry. No enquiry was made for either of these three years. Under Tax Law this is unfair to tax payers and therefore retrospective. I am paying £636 per month and this has been a massive change to my disposable income.

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

It's a massive burden to be paying £636 per month to HMRC of my disposable income in what feels like a long tunnel. I'm not a high earner and live in London and still work in the public sector. Also, the terms HMRC provided are questionable. I fell into the criteria for 5 years, the 7 year criteria was unrealistic- It's difficult for experienced employees to be earning under £30,000 in London. A longer automatic term could of broken down the monthly payment to be better. In this statement, i would be seeking for HMRC to drop the closed years listed above, this would mean my remaining liability could be payed off much sooner and both parties can move on. (End of this year)

The other impact is that i'm 40 and live in a mortgaged apartment, I would not be able to move into a house over the next few years as due to this monthly payment, it would simply be unaffordable. I have also added debt on credit cards, at the end of the month there is little money left over after costs and have gone over my available disposable income at least a few times.