



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

Loan scheme(s) used / operator(s)

Principal Contractors (2013-16), Smartpay (2016-18)

Approximate liability in £ (nearest £5K)

£500,000

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 ?

And for how much in £

How many months/years using loan arrangements

5 years

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

I have two tax years under investigation. All loans disclosed to HMRC who are 'reviewing' my argument that the Loan Charge breaches freedom of movement of capital under European Law (Article 63 of the Treaty of Functioning of the EU) which takes precedence over UK law

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

After being made redundant from full time employment in 2013 I had to become self employed to find work I used an umbrella company through fear of IR35 and to avoid the complications of working through my own company.

Am now confused and bewildered that despite being told the umbrella company's payment scheme was legal and HMRC compliant, and paying for accountants to submit my tax returns to make sure they were right, I have ended up with a ruinous and retrospective liability which has no apparent legal basis.

Also can't understand why the companies that were supposed to look after my PAYE arrangements and tax returns have been absolved of any liability. All responsibility for their actions and mis-selling of schemes seems to have been passed to me.
Am now suffering stress, insomnia and poor health over how I would find the money.

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

I am close to retirement and would have no means to meet the potential liability, even if given time to pay, other than through selling my family home.