



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

Loan scheme(s) used / operator(s)

K2, Contractor Loans, PPCL

Approximate liability in £ (nearest £5K)

£150,000

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 ?

FS Capital

How many months/years using loan arrangements

And for how much in £

£320,000

3 years

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

HMRC has been focused on payment of two 2012/2013 APNs issued in 2016 to my Ltd company covering £79K of claimed employers tax and NI, that with interest they claim is now about £126K. The latest APN request for payment from HMRC was 10th Feb 2022.

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

So far family stress and lost time, as well as around £15K to litigation groups and tax advisers.  
  
In total, between FS Capital, and the double-counting 'win' that HMRC are seeking of both APNs and Loan Charge; as well as the fees paid to my scheme provider, I am being potentially challenged for around 8 times the original tax and NI that I would have paid as an employee.  
  
So far my family has managed to hold together, but the stress is constant whilst we've done everything possible to reduce our outgoings to try and save a little towards any potential payment, such as cancelling holidays, and consolidating to a single cheap car between us.

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

Definitely bankruptcy.  
  
Loss of house.  
  
Loss of potential to earn again, given I work in the financial services sector.  
  
My two children will lose any support I might have potentially been able to give them through their remaining years at university.