



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

Loan scheme(s) used / operator(s)

Scheme was via Montpellier , MRG (Fernleigh Employee Benefit Trust)

Approximate liability in £ (nearest £5K)

[Empty box for liability]

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

[Empty box for money paid]

If your loan has been subject to recall demands :

Who is demanding repayment ?

Montpelier

How many months/years using loan arrangements

And for how much in £

£14

4 years

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

I tried to contact HMRC on several occasions before the deadline to no avail. I ended up mailing them and did receive a letter with a reference number. I have heard nothing since. My accountant added detail of this in the white space of my SA return including the reference number.

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

Amount of loan repayed is not showing in above field. Demands from Montpelier meant I paid back £14,000.

I had to re-mortgage my house in 2018 to pay HMRC for a previous loan arrangement via Montpelier (~120k) for years 2003-2008 so I am at the limit and unlikely to be able to borrow any more to pay the LC. This is Section 720 ITA 2007 as it is now (previously Section 739 TA 1988) and I paid off the back of several APNs. I didn't respond to the follower notice as I wanted to appeal and have subsequently been issued a £50,000 fine...which I have also appealed.

I believe there are still challenges on the double tax relief which are waiting to be heard at the upper tier tax tribunal. ••

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

I stated in my email to HMRC that I cannot afford the loan charge. If it is laid down by legislation then it would need be a 'time to pay' arrangement and depending on how much that is, depends on whether I will have to sell my home or not...which will be absolutely devastating.

My loans for period 2012/13 - 2014/14 amount to £190,940 but there are some questions over whether all these years are subject to enquiry or not. All the loans were disclosed each year as part of my SA.

Even though this isn't concluded I have sleepless nights worrying about the consequences....I get that horrible sinking feeling every day when the postman arrives. I just want this nightmare over with so I can continue some sort of normality.

I've been severely mis-guided by Montpelier / MRG but i refute retrospective legislation and stand-by the fact that if the law was clear at the time, there would be no need for the loan charge.