



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

Loan scheme(s) used / operator(s)

Penfolds ,Hamilton,K2

Approximate liability in £ (nearest £5K)

£52,000

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 ?

FSC

How many months/years using loan arrangements

And for how much in £

£39,000

5 years

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

HMRC have assessed our ability to pay and concluded we are unable to pay the liability. However this is now reviewed annually which means it hangs over us indefinitely

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

This has been hanging over our family for 2 years ever since declaring the loans as per the loan charge in 2019. We have no means of repaying such a large amount of money and as per HMRC's own assessment of our situation we are not living beyond our means. We have no assets and do not own a home. So we face the prospect of either declaring bankruptcy or having this liability follow us until retirement and beyond. Bankruptcy would mean a disasterous disruption to us and our children (one with Autism and another also on the spectrum). It would affect our ability to pay for the schooling for our Autistic daughter whom we placed in a private school so her need could be met. We would also not be able to help her with university cost. We would lose the ability to finance our only car - again we have no assets thus no means of buying a reliable familit sized car cash. The knowledge that every day interest accrues on this vast amount which we can do nothing about causes an untold amount of anxiety, stress and depression. I have been seeing a psychiatrist for the last year or more to try different medications to cope with the situation as the existing medications were not being effective enough anymore.

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

If HMRC were to enforce the loan charge liability we would be bankrupt. We have no means of paying and HMRC will also gain nothing from declaring us bankrupt either as we have no assets. So the net outcome will be HMRC will have spent money in declaring us bankrupt and our family will face severe difficulty, stress and ruin. The impact on our children (both with special needs) will be disastrous and long term as it would affect our ability to finance the schooling and care they require to develop fully. The impact on both me and my wife is already severe. If the liability was enforced this may push us to beyond breaking point as individuals and parents.