



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

Loan scheme(s) used / operator(s)

Knox House Trust (AML PBT)

Approximate liability in £ (nearest £5K)

£164,000

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

£164,000

If your loan has been subject to recall demands :

Who is demanding repayment ?

How many months/years using loan arrangements

And for how much in £

3y/2m Indirect Loans + 3y/10m Direct

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

HMRC confirmed in Aug 2021 that my LC account was cleared but in Oct 2021 opened an enquiry into my Direct (Employee) Loan years which has re-ignited the stresses about LC, which I had paid in full in Sept 2020 to close it out, and was trying to return to a normal peaceful life after 70.

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

I suffered huge stresses and ill health from May 2018 when I first heard of the LC. I spent months trying to settle but HMRC wanted punitive interest and eventually even added a demand for thousands of £££ in Inheritance Tax which was astonishing in that they considered the loans as "income", but also wanted to simultaneously consider them as "loans". With considerable difficulty I managed to raise sufficient funds to pay the LC amount of £164,000 due under the LC legislation. My wife and I are both retired and live on limited income/pension. The LC payment has had a big impact on our lives in retirement and our plans for the future. But in order to have some peace and move on in our remaining years we cleared the debt and started to relax, particularly after Aug 2021 when I received a phone call from HMRC confirming that my Loan Charge account was cleared. Then in the very last days before they would become time-barred, HMRC opened a new enquiry and started the whole nightmare all over again.

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

I have paid HMRC the LC IN FULL as laid down in legislation but they are now trying to extend my liability to Employee Loans which are not covered by the LC legislation. HMRC disagree "in their view". HMRC always consider "their view" as over-riding the legislation in place. At the end of Oct 2021 HMRC opened an enquiry onto my 2018-19 tax return where I had declared all of my loans. I have now relapsed into huge stresses and depression as a result. HMRC are potentially going to demand additional HUNDREDS OF THOUSANDS OF £££ which I am not liable for; this is destroying my life once again in retirement after a life of hard work and major contribution to the local economy where I live. I have had several discussions and interactions with my MP who is a senior Government Minister in HM Treasury, over the past 3 years. He has showed some sympathy but there has been no positive progress to date. APPG please help me to move on from this nightmare. I have paid everything I owed. I cannot carry on under this stressful cloud for whatever years I have left on this earth.