



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

Loan scheme(s) used / operator(s)

AML based companies PCL , Smartpay

Approximate liability in £ (nearest £5K)

£130,000

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 ?

How many months/years using loan arrangements

And for how much in £

5 years

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

Final Demand for outstanding Tax Liabilities including Loan Charge for 2019 SA before passing to debt collection,

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

I followed professional advice and paid AML to prepare my returns and was told by HMRC that the scheme did not have hallmarks of tax avoidance, even though tax avoidance is not illegal. I refuse to be forced into settlement by admitting that tax avoidance and low NIC was an incentive to join. IR35 compliance was the governing factor, hence Loan Charge is now outstanding. Brown envelopes arriving in the post increase my anxiety levels. It is also affecting my ability to concentrate at work.  
All my expenses were paid, hotels, fuel, food, vehicle maintenance by myself from loan payments but HMRC will not acknowledge these amounts as tax exempt. £130k tax demanded on £150k loans.

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

I am constantly irritable and have lost the will to join in with anything. My health issues have increased: anxiety, panic attacks, high blood pressure. I have no interest in planning for future as looks bleak. Constant stress and irregular sleep patterns. This has all been imposed by a civil service department that is supposed to collect correct amount of tax dictated by the law at the time, not willfully destroy innocent citizens' lives by moving goalposts and bringing in retrospective tax. I was employed by the Umbrella Company PCL & Smartpay, both part of AML/Knox Group and was assured that all was within the law and legal. They advertised as being HMRC and IR35 compliant. At no point was I informed that joining would cause any tax issues or investigations. They had a slick video promoting their services. It is yet to be seen whether my marriage will survive this pernicious tax grab. The fact that the Loan Charge does not negate any tax liability alone proves this is an illegal policy, taking away any right to appeal. The liability has unfairly been transferred to myself, allowing the umbrella to walk away with unpaid tax. My ability to pay this ridiculous amount of tax, currently 87% of loan amount, is non existent. It will almost certainly cause bankruptcy and other relationship issues. I do not see any way out of this mess without a sen