



Loan Charge Update - Personal Statement
Individual who has settled - Form 2(b)

Loan scheme(s) used / operator(s)

EFRBS

Approximate liability (nearest £5K)

£785,000

Settlement total figure

£785,000

If your loan has been subject to recall demands :

Who is demanding repayment ?

Further demands from HMRC

And for how much in £

How many months/years using loan arrangements

5 years

Other Money paid (APNs, Penalties)

Table with 3 columns: Date of Settlement, Settlement period (years/months), % of net income per month. Row 1: 29/09/2020, 20 Years 3 Months, 50

The impact of settlement on you financially

Due to the large amounts of monies being withdrawn from my Business account to pay the settlement, I have just started to receive huge personal tax bills which I am not able to pay. As a result, HMRC are charging penalties and adding interest to the outstanding figure. Part of my settlement with HMRC was to sell my buy to let home which was to be my pension when I retire. As a result I paid £100,000 towards the settlement in November 2021. Again there will be additional tax to pay in the form of capital gains on the £100,000. I dont have a private pension. The only asset I have is the family home which is worth less than the outstanding settlement.

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

I am currently 60 years of age and I run a small mechanical engineering business. As a result of the settlement and Covid, I have had to let an engineer leave resulting in myself going back to manual work on building sites and other areas. I find this very hard and exhausting as not many engineers carry on working on sites after the age of 50 due to the fitness levels required. My concerns are the fact i will be aged 80 when the settlement is complete with no guarantees the business or myself can survive until that point, especially with the monthly loan charge settlement and the additional personal taxation i need to find for the next 20 years.