



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

Loan scheme(s) used / operator(s)

GARRAWAY

Approximate liability in £ (nearest £5K)

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

£12,000

If your loan has been subject to recall demands :

Who is demanding repayment ?

FELICITAS

How many months/years using loan arrangements

And for how much in £

£3,500

6

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

In March 2019, with 3 weeks to go until the 5th April deadline, I received the settlement letter from HMRC. They want over £100,000 including NI and interest. Following the loan charge review HMRC have written to me again, via my tax advisers, WTT, with a revised settlement figure of £69,000. They have given me less than 3 weeks to respond.

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

Ever since 2014 (when I received the first HMRC enquiry letter) it has been a living nightmare. I have suffered worry, stress, sleepless nights and depression. I had no one to turn to. I went to the doctors for depression tablets and felt so ashamed that I didn't even know how to tell my family about. I was surrounded by a dark cloud with no way out. The nasty brown envelopes kept turning up for various tax years, and my situation got worse. Over the years I have been receiving counselling for depression due to the Loan Charge. My wife could see the anguish I was going through but didn't really understand this complex tax issue.
'Why didn't the tax people act sooner?' she said.
'Why after all these years are they sending you these letters?'
The HMRC letters tended to arrive either at Christmas or at the weekend, just to make sure you have a really terrible break, full of worry and anxiety. I feel sure HMRC have been trained in Psychological warfare with the tactics they use. They seem well practised in bullying and intimidation tactics.

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

I am 62 years old, and due to retire soon, so I cannot get another mortgage, I am too old. I cannot afford to pay! There is talk of HMRC putting a charge on our houses. Are HMRC going to make me and my family homeless? I AM SICK AND FRANTIC WITH WORRY - which has taken a toll on my health. I have no idea how I can pay the loan charge.
10.If I go bankrupt or get a CCJ because of HMRC's ridiculous payment demands I WILL NOT BE ABLE TO GET A JOB AND PROVIDE FOR MY FAMILY. I have a wife and two sons and I am very worried about how I can care for them. I feel ashamed, frantic and petrified about all this.
Because of the ill thought out HMRC IR35 plans announced in Autumn 2019, I was out of work between mid-September 2019 and late February 2020. This means I have stopped paying VAT and other taxes. IR35 has had the effect of destroying the contractor sector, thereby reducing tax receipts for the government. In 2019 I met two widows whose husband's committed suicide because of the Loan Charge. That's eight suicides to date. If the Loan Charge is not stopped immediately there will be more suicides.