



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

Loan scheme(s) used / operator(s)

Hamilton Trust, K2, Lighthouse Trustees Ltd

Approximate liability (nearest £5K)

£158,187

Settlement total figure

£158,187

If your loan has been subject to recall demands :

Who is demanding repayment ?

FS Captial Limited

And for how much in £

£347,297

Further demands from HMRC

£24,652

How many months/years using loan arrangements

4years

Other Money paid (APNs, Penalties)

£5,797

Table with 3 columns: Date of Settlement, Settlement period (years/months), % of net income per month. Row 1: 21/09/2020, Paid in full, (blank)

The impact of settlement on you financially

I was fortunately saving all my income during this period to support buying a family home. This settlement meant all of my savings was used to pay off HMRC via their APN's. This resulted in me selling my apartment that I was renting out to cover the shortfall for the deposit. Summary of liability to highlight the punitive charges: Income tax due = £141,628 paid, Interest due = £16,559 paid, (Expected IHT £24,652) Note; Even though I have settled the above with HMRC, they maintain that IHT (inheritance tax) is due once the loans are written off. This could amount to £24,652 as detailed in their expected settlement letter.

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

My mental wellbeing was impacted as at the time I had my first born and partner was unable to work as she was looking after our child. I genuinely had suicidal thoughts cross my mind. The pressure to pay off the APN to prevent further penalties incurring was unbearable. I would be physically sick and withdrawn emotionally every time a brown envelope was received through the post. I started to get skin conditions due to the stress involved and tensions between my partner increased. At the time, the industry in which I work in was looking bleak and my role was at risk which didn't help as my savings was all used for settlement. The stress and pressure still continues as now FS Capital are seeking to recover the full loan amount with interest. I do hope the government can help end this nightmare since tax due, interest and penalties have been paid.