



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

Loan scheme(s) used / operator(s)

Penfolds , Hamilton Trust (pre-2010),K2,Lighthouse,Cirrus (post 2010)

Approximate liability in £ (nearest £5K)

£61,547

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

£4,500

If your loan has been subject to recall demands :

Who is demanding repayment ?

[Empty box]

How many months/years using loan arrangements

And for how much in £

[Empty box]

4 years 2 months

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

HMRC have been bombarding me with letters for approx. 4 plus years with APNs (Accelerated Payment Notices) followed by their issue of fines for non-payment of claimed tax. Fortunately proved not to be lawful by representation. Nonetheless they would follow up with references to some obscure piece of legislation. HMRC (in writing) said that I should either sell some assets or take out a loan to pay what they claim as tax. More recently suggesting that I take out an equity release to pay claimed tax. Their ignorance is sublime, as 1: If a property is dual owned (as is mine) it takes both parties to agree an equity release and for all the right reasons my wife would never agree.2. You cannot take out an equity release for the payment of tax. Of the £61,547.41p of tax claimed by HMRC, it includes a huge sum of £10,093.84p of interest!!

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

HMRC purport to be the 'enice guys' to the media and MPs. Offering extended payment years and substandard offers of claimed tax. Both in fact are propaganda, that personifies the corrupt and out of control of this Government department, in collusion with the Treasury. The offer of extended payment years would be subject to interest payments of 1% above normal interest rates for each year. The offers of 'substandard offers' is also a farce that required for you to submit their 'financial means document'. Having submitted, and after many months the offer was declined as being insufficient. An upgraded offer has never been responded to. Even the findings of the Morse Review regarding the Loan Charge have been ignored, concerning that pre 2010 loans be no longer charged. HMRC now term these as 'Open Years' and subject to taxation!

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

More recent communication from HMRC:
It was agreed between my tax advisor and HMRC that I should begin paying back the tax on the post 2010 loans over a three year period and that we would receive formal documentation concerning this. I made the first payment last year by cheque on the 26th January 21. I have both proof of the cheque being sent (to HMRC Direct BX5 5BD) and its signed proof of delivery on the following day of 27th January. Since making the payment there has been no acknowledgment of its receipt nor the formal documentation despite the numerous requests made to HMRC over the past 15 months. As quoted, HMRC have become a perfidious organisation, to which I totally agree!!
The personal and financial impact.
I am in my late seventies and a pensioner on a fairly low income. Prior to receiving the tax demand from HMRC, my wife and I were looking forward to an enjoyable retirement. At present, things are still on hold, as having to pay the tax demand on both the pre and post 2010 years would have a significant and adverse effect on our finances and activities. I am also very concerned that HMRC may still be accumulating even more interest on the loans as mentioned above.



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