



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

Loan scheme(s) used / operator(s)

Hamilton, K2, Lighthouse

Approximate liability (nearest £5K)

£140,000

Settlement total figure

£140,000

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

3.5 years

Other Money paid (APNs, Penalties)

Table with 3 columns: Date of Settlement, Settlement period (years/months), % of net income per month. Row 1: 30/09/2020, 10 years, 30%

The impact of settlement on you financially

after the initial settlement was set up I managed to make 1 payment, as the contract I was on finished. I have tried every month to make this payment but on a reduced salary and without the ability to work as contractor as I had previously due to IR35 this was simply not possible. I have now managed to secure a full time job but this figure is completely unworkable as I am just a person on PAYE but all my bills and accrued debt still have to be handled. I have considered bankruptcy but this would mean that I cannot work in my sector which is financial services. Having just started my first full time job since the arrangement has been made I am very worried that the so far inflexible HMRC will seek to make me sell my house or force me in bankruptcy. The stress is unbelievable.

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

The legacy of imposing the loan charge on me has been absolutely devastating. It has cost me my marriage, my home and has had a long lasting negative effect on my relationship with my children. My wife saw the imposition of the loan charge as me being dishonest and putting our family at risk. She opined "Why would HMRC come after you if you had not broken the law?" The pressure around this whole situation eventually led to the breakdown of the marriage and putting myself further into debt. I had to leave the family home but still had to pay for the mortgage and all the bills. My wife was not able to effectively pay for this as I was always the primary earner in the family. I then had to find rented accommodation and foot all the costs of that as well. This meant borrowing money from my limited company which has then resulted in a huge personal tax liability that I am now trying to find a solution for. I used to be a very confident person and I had good reason to be happy. I had a beautiful family and a good job. We did not live an extravagant life but we had holidays, and did not have any significant money issues. My life now is upside-down. I spent 5 years apart from my kids only seeing them 1 day a week. I now have debts I cannot pay in my lifetime. I suffer from depression and I have contemplated taking my life as there appears to be now way out of this madness. I feel completely let down and abandoned. I have never drawn a penny of benefit from the state of which I am very proud and have worked all my life since leaving university. IR 35 has effectively removed my ability to repay back the money I owe and am now looking at being a slave to HMRC for the rest of my life.