



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

Loan scheme(s) used / operator(s)

Principal Contractors Limited

Approximate liability in £ (nearest £5K)

£97,000

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

If your loan has been subject to recall demands :

Who is demanding repayment ?

How many months/years using loan arrangements

And for how much in £

33

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

Oct 2016 - Initial notification about use of 'Disguised Remuneration' scheme
Jan 2021 - Notification of enquiry opened into 2018/19 SA Tax Return - replied Feb 2021
Sep 2021 - Letter from 'Serial Avoiders Unit' - replied Oct 2021

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

Ill-health brought upon by accumulation of stress, chronically elevated pulse, cholesterol metrics raised - put on statin medication.
Signed off work due to stress eventually resulting in having to take early retirement.
The Loan Charge issue came soon after the death of both my parents in 2015 and 2016.
I was overwhelmed by these issues and was unable to cope with the combined issues.
My judgement was very compromised and I suffered a massive financial loss in 2019 as a result of fraud - I was trying to find a way of securing the additional I funds required.
To meet the LC my children are having to sell their joint property to provide financial back up.

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

The LC is a grossly unfair tax due to its retrospective and punitive nature.
To make it retrospective means that any plans made for retirement after nearly 40 years of hard work are completely shattered. My wife and I have spent our working lives by making significant contributions to society. We have brought up 2 children in a socially responsible manner who are in turn making a valuable contribution to the community both in their professional and personal lives. We have made many sacrifices through out our lives with a view to spending some hard won leisure time in retirement travelling. The LC makes this dream impossible.
The LC is a punitive tax and is higher than the tax that might have been payable. The premise that it treats self-employed people as employed people is patently flawed. As a SE person we did not have the same employment protections, sick pay and holiday provisions and other benefits. The fact that the charge includes penalties and interest just increases the finalical liability. The only way I have been able to cope with this currently is not to think about it otherwise I feel extremely depressed. I feel helpless and a failure to my wide and family but do not have a solution.