



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

Loan scheme(s) used / operator(s)

AML

Approximate liability (nearest £5K)

£230,000

If your loan has been subject to recall demands :

Settlement total figure

Who is demanding repayment ?

Further demands from HMRC

And for how much in £

How many months/years using loan arrangements

Other Money paid (APNs, Penalties)

42 months

Table with 3 columns: Date of Settlement, Settlement period (years/months), % of net income per month. Row 1: 02-Oct-20, 5, 22

The impact of settlement on you financially

I do not understand all the boxes above so hope the info is correct.) have had to remortgage my house to cover debts from the APN of £58,000 and use my tax free allowance on my pension £75000. The percentage of income above is inaccurate. In reality I must earn an extra 28% of my base income in order to pay the monthly values. In addition the mortgage payments are approximately £500 a month extra, so the impact excluding pension is circa £2125 a month. This means I must earn 40% more to pay off my Loan Charge. Our plan had been to retire, building a property to enjoy that period of our lives. The money to do so has gone forever. Now I work not only to pay the debt but to try and rebuild my decimated pension.

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

The impact on relationships and mental health was huge. The pressure it introduced in the marriage was immense, especially as it meant so many of our plans had to change. The threatening letters added to the stress. Both my wife and I suffered degrees of depression. Ultimately faced with an overwhelmingly disinterested HMRC and the realisation that HMT and ministers were not going to countenance a real independent review we had to settle. This meant - a change in lifestyle and increased work. Instead of retiring as planned in the next 2-3 years I will have to work at least for 5 or 6 years. The increased work has led to some physical illness and again mental tiredness, with my daughter imploring me to "slow down before I have a heart attack" Without the understanding and support of my wife, coupled with a strong Christian faith, I doubt I would have avoided a physical or mental breakdown. As it is I am resigned to having to work up to an age where my grandfather, father and uncle all died - something I pray I will avoid.