



# All-Party Parliamentary Loan Charge & Taxpayer Fairness Group

[www.loanchargeappg.co.uk](http://www.loanchargeappg.co.uk)

Jim Harra  
Chief Executive and Permanent Secretary  
HM Revenue and Customs  
100 Parliament Street  
London  
SW1A 2BQ

5<sup>th</sup> December 2023

Dear Mr Harra,

## **HMRC's record on pursuing promoters of schemes subject to the Loan Charge**

We are writing about the HMRC and Treasury references to convictions of promoters of tax avoidance schemes, as we are concerned that these convictions are being mis-represented as relating to the promotion of schemes subject to the Loan Charge.

At the Treasury Select Committee on 18th October, you were asked by Committee member Danny Kruger MP whether HMRC have pursued those who promoted schemes subject to the Loan Charge. Danny is also a member of the Loan Charge and Taxpayer Fairness APPG. Danny had to interrupt your initial response, as instead of answering his question, you were talking about the current strategy HMRC has with regard to active promoters. He stated:

“Sorry to interrupt. That is about promoters of current schemes—of new schemes. Are you pursuing people who promoted the schemes that were taken up by people whom you are now pursuing for the loan charge?”

In response to this, you referred to convictions of promoters of tax avoidance schemes, which gave the Committee the impression therefore that these convictions were related to schemes now subject to the Loan Charge. You said:

“I believe that in recent years we have successfully prosecuted or convicted about 20 promoters of tax avoidance schemes, which will cover the full range of marketed schemes. But nowadays, about 90% of all marketed avoidance is in employment taxes such as disguised remuneration”.

Previously in letters (from both HMRC and the Treasury) and in Parliamentary questions asking about action against promoter of schemes subject to the Loan Charge, there has been a statement giving more information on these convictions as follows:

“Since 2016, more than 20 individuals have been convicted for offences relating to tax evasion or fraud where arrangements have been promoted and marketed as tax avoidance. These have

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resulted in over 100 years of custodial sentences being ordered and 9 years of suspended sentences”.

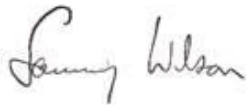
We have previously made clear that unless these convictions are for promoting schemes now subject to the Loan Charge (or activity linked directly to this) that it is misleading and wrong to mention these, when being asked about any action HMRC has taken against promoters of schemes now subject to the Loan Charge.

We therefore wish to ask do any of these cases relate to or involve schemes now subject to the Loan Charge?

We also are asking you to supply in your response the list of the criminal cases you are referring to, with the names of the individuals convicted, the sentence in each case and what the conviction was for. All convictions of this nature are public, with individuals named, so there can't be any reason why you cannot supply this information, which will clear up once and for all whether these convictions have anything to do with the promotion of schemes now subject to the Loan Charge.

We look forward to your response.

Yours sincerely,



Sammy Wilson MP  
Co-Chair



Greg Smith MP  
Co-Chair



Baroness Kramer  
Co-Chair

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