



All-Party Parliamentary Loan Charge & Taxpayer Fairness Group

www.loanchargeappg.co.uk

Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

28th April 2025

Dear Chancellor,

McCann Review into Loan Charge Settlement Terms – HMRC letters to those affected

We are writing with some important further points relating to the McCann Review into Loan Charge settlement terms about the letters HMRC have and are sending about it.

1. Letters being received are from HMRC Counter Avoidance which is causing distress & anxiety

This has now been exacerbated by the fact that the letters sent by HMRC are from Counter-Avoidance. We have received correspondence from individuals expressing considerable distress at receiving the letter from Counter-Avoidance about the McCann review. This is the department of HMRC that has been responsible for the whole Loan Charge fiasco, has routinely failed to respond to correspondence in a timely and correct fashion and of course the department of HMRC that has been sending the demands, the 'brown letters' that have caused so much distress. To therefore have these letters sent from Counter-Avoidance was completely thoughtless and unnecessarily distressing (as well in our view, as being inappropriate as the part of HMRC that should itself be under investigation as it would be under a genuinely independent review of the Loan Charge).

The distress caused is worse where HMRC Counter Avoidance has sent these letters out to individuals classified as vulnerable and above all those especially vulnerable individuals where HMRC have an agreement in place to not to contact them directly. One of the people who has tried to take his own life and who met with James Murray last year emailed the APPG expressing huge distress as receiving one of these letters from HMRC Counter Avoidance.

It was inevitable and entirely predictable that for people to receive letters from HMRC Counter Avoidance (during what is being presented as an independent review and with the Treasury suggesting that cases are on hold) would trigger the same anxiety and distress as other letters from Counter-Avoidance, which are assumed to be letters making demands for the disputed tax.

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This was completely avoidable had these letters come from the review, not HMRC (and of course, better still, if this was a genuine full review/inquiry of the whole Loan Charge Scandal, which would not have involved HMRC in any way, other than as a party to be investigated and scrutinised).

2. People remain confused as to who is actually subject to the review due to receiving letters

There remains considerable confusion as to who will and will not be covered by the review and who is being asked to submit evidence (in other words, is evidence to be sent only by those who are covered in the narrow remit of the review, or others who used exactly the same schemes, but are excluded from the review, in our view completely unreasonably). We have had correspondence from individuals on this point also.

In particular, we have had a number of individuals contacting us who settled with HMRC, yet they have received letters from HMRC stating that HMRC believes that their arrangements are subject to the review.

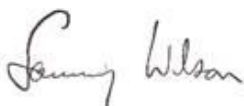
This, again, has caused serious worry as some individuals believe that this means HMRC may be seeking to pursue them for further demands, on top of the settlement agreement they made with HMRC. One of the many unacceptable things about the Loan Charge and HMRC's whole approach is the way that HMRC has made clear that it may pursue those who have settled for further demands and that settlement agreements were not full and final settlements, as they very clearly should have been. This is a typical example of HMRC's unfair, disproportionate and ruthless approach (what Mr McCann himself has referred to as an HMRC "punishment strategy").

What makes this worse is that all individuals who settled only ever did so on terms they did not believe were fair or reasonable because they were led to believe (by HMRC and previous Treasury Ministers) that they would be in an even worse position if they did not do so. Now instead, these people who did what HMRC pushed them to do, have been wrongly excluded from the current review. This is clearly against the principles of natural justice.

Other than this clear unfairness, it is also confusing as to why HMRC has told some people who have settled, that their arrangement are subject to the review. Could you please clarify this please.

We look forward to hearing from you.

Yours sincerely,



Sammy Wilson MP
Co-Chair



Greg Smith MP
Co-Chair



Emily Darlington MP
Vice-Chair

cc James Murray MP, Exchequer Secretary to the Treasury
Ray McCann, current review lead

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