



# All-Party Parliamentary Loan Charge & Taxpayer Fairness Group

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

Ray McCann  
Sent by email

16<sup>th</sup> December 2025

Dear Ray,

## **Invitation to meet with the Loan Charge & Taxpayer Fairness APPG**

In April this year you attended a meeting with the Loan Charge & Taxpayer Fairness APPG to discuss the review you had been asked to conduct into Loan Charge settlements on behalf of the Government. Your attendance was appreciated and it was a very useful discussion. At that time you were asked if you would come back to meet the APPG to discuss the report conclusions once the report had been published and you replied that you would be happy to do so.

Now that the report has been published and the Government has responded, we would be most grateful if you could attend another APPG meeting to discuss it with members. At our last meeting many of those present commented on how well written and researched your report is, despite our misgivings at the limited Terms of Reference and the restrictions imposed upon you.

We wish to take up your offer and would like to arrange a date for this follow-up meeting.

There are a few things in particular we wish to discuss with you. The first and most pressing is the imposition of an £70,000 limit on reductions for individual liabilities. This fundamentally changes your review recommendations and the extent to which the settlement opportunity you proposed, with this restriction added, will allow people to settle. This has the effect of meaning that the outcome of your review will be very different from the one you proposed. This is of real concern to us and presumably a significant disappointment to you, noting your keenness to see cases resolved. We would like to hear from you how you see the impact of this limit and approximately how many cases you believe will be significantly affected. We have expressed our concern to the Government on this in [a letter to the Exchequer Secretary to the Treasury](#). You will note that our position is that the Government should drop the £70,000 limit, which does change the implementation and outcome of your recommendations and that the Government should instead implement your recommendations in full, not least having claimed that you would have “the final say”.

Secondly, we would like to hear why in your report you appear to reject the important PAYE credit issue and the fact that, where there was a UK based employer, HMRC had the duty to collect PAYE from them. We are surprised this was not proposed as part of the solution (and fair outcome) considering in many cases HMRC failed in this duty. This also appears to be at odds considering your yourself, as a sector professional, signed [a proposal put forward by independent sector](#)

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Vice-Chairs: Emily Darlington MP, Sarah Olney MP

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professionals, that included properly taking this into account. We would therefore be interested to know why you subsequently ignored this in your recommended settlement opportunity. As you know, we did express concern following our meeting in April that you were not considering the PAYE credit approach.

Thirdly, we would like to hear your thoughts on why you decided to recommend differential levels of discount for promoters' fees, when in reality the industrial mis-selling of these schemes was targeted at people (and small companies) on a whole range of incomes and financial circumstances. As you know, we had expressed our concern, from our meeting in April, that you somehow believed that those with lower liabilities must be less sophisticated and less responsible than those with higher liabilities. In our view, this is flawed and therefore we would like to understand your rationale.

Fourthly, we wish to raise with you the fact that despite the fact you have recommended reduced settlements, you have nonetheless recommended settlement terms for individuals that are very significantly less generous than those that you have confirmed were offered to big banks for settlement of related EBT schemes in 2005, when you yourself were working for HMRC. We wrote to you specifically on this back on the 1st July, after we had been sent the minutes of your meeting with Amyas Morse. This was before your review was concluded. We recently wrote to the Government about this, as the Treasury had previously sought to deny that this deal happened, yet you have laid out the details of this in your article in Croner-I Tax Weekly in October 2022. In it, you confirmed that these multi-billion pound businesses were allowed to settle for 10-15%, even in the case of a bank that refused initially to engage in the settlement process. In your October 2022 article and in the minutes with your meeting in 2019, you were highly critical of HMRC and made the comparison with the way they treated these big banks with the way they have treated individual contractors, yet you make no mention of this deal in your report, when it is clearly materially relevant and you have referred to it in the past.

We would like you to explain why, considering that you acknowledge the mis-selling on the part of numerous professional advisers, you did not recommend similar settlement terms for individuals, who unlike big banks cannot realistically defend themselves against HMRC demands. We presume that this is because of the restrictions placed upon you and the fact you were only permitted to make a certain level of reduction in settlements (and the overall projected take from HMRC's Loan Charge compliance activity) but if this is the case, then as we feared, you were not permitted not make recommendations that could be seen as truly just. We certainly need to understand why you failed to mention the big banks 2005 EBT deal in your report. We also need to understand how the restrictions affected your recommendations, as they must have done and if this is why you failed to mention the deal, when it is clearly directly relevant (and as you yourself have said, a stark contrast with the way contractors have been treated by HMRC).

Finally we have also again made clear, including in our letter to the Exchequer Secretary, that we believe it is wrong and unfair that those who have settled, pre December 2010 and post April 2017 cases were not included in your review. We do fully understand that this was a decision taken by the Government and not by you. Not including pre December 2010 cases causes a very significant barrier to settling to all those who have some pre December 2010 years and some post December 2010 years. This will make it difficult or impossible for a significant number of people in this group to settle and therefore means your review recommendations are much less likely to resolve the number of cases as might otherwise be the case.

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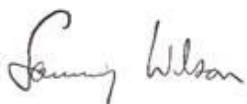
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It is also manifestly unfair that those who settled, under pressure from HMRC to do so and on the basis that they would otherwise face much greater demands, now face having settled on worse terms than those who have not and are subject to your review recommendations. Your yourself acknowledged this unfairness at the meeting we had with you in April. This is something we believe the Government must address and as a matter of priority. We note that there is some wholly unfair criticism of you over this issue, when the decision for your review to only consider those facing the Loan Charge was taken by the Government. We will continue to criticise that decision and push for all the excluded groups to be included on the same terms as the new settlement opportunity, but we criticise the Government for that and are absolutely clear it is wrong to criticise you, when the Terms of Reference excluded you from doing so.

We hope to discuss these and other issues in your report and the Government's response. Could you please let us know your availability for a meeting in the new year please. Tuesday afternoons work well for the APPG.

We look forward to hearing from you.

Yours sincerely,



Sammy Wilson MP  
Co-Chair



Greg Smith MP  
Co-Chair



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Sarah Olney MP  
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