

Loan Charge: please commit to tackle the Loan Charge Scandal

We are writing to ask you to commit to tackle the Loan Charge Scandal, if you are elected as Conservative Leader and become Prime Minister.

The Loan Charge, in its current form, is something that no Conservative Government should have introduced. It clearly undermines the rule of law and in one fell swoop, wipes away existing statutory taxpayer protections. It undermines one of the most basic principles of taxpayer certainty and is clearly retrospective in its effect.

Moreover, it is causing businesses to close, leading people to give up work and pushing some into bankruptcy – meaning they will not work again. It is doing considerable damage to the UK's flexible workforce of contractors and freelancers, whose skills are relied upon by many businesses, both large and small, and by public sector bodies including the Government. The Loan Charge is already damaging skilled UK workers and the economy.

Most worryingly, the Loan Charge is doing real damage to thousands of individuals and families. Already, many people are facing the prospect of financial ruin, of losing homes and pensions, and of having no choice but to go bankrupt. Suicides of people facing the Loan Charge have been confirmed and in one case HMRC has reported itself to the Independent Office of Police Conduct.

HMRC claim to be helpful and sympathetic, but the evidence sent, both to MPs and the Loan Charge APPG, shows that this is far from the case and that HMRC are pursuing people punitively and unreasonably. This is not the solution, nor is it acceptable. It must be stopped now.

The pledge we are asking the potential Conservative leaders is below. We hope you will sign it and commit to tackle this following the leadership election. Action is needed urgently, with HMRC requiring people to sign settlement contracts – whilst also waiving all rights to reclaim any payments – by 30th September or face the ruinous Loan Charge.

Loan Charge Pledge

If elected as Conservative leader, I commit that I will suspend the 2019 Loan Charge before the end of September and will order a proper review of it that is independent of HMRC and the Government. I will instruct the Chancellor to tell HMRC that all settlement activity be put on hold and that all settlement agreements, including agreed payment plans, be suspended until this review is completed and Parliament has considered its conclusions. I will instruct the Treasury to implement the conclusions of this review. I further commit to bring forward legislation to remove the retrospective element of the 2019 Loan Charge completely so that it applies from the date of Royal Assent of the Finance Act, 16th November 2017.

Rt Hon David Davis MP
Dame Caroline Spellman MP
Philip Davies MP
Chris Green MP
Bob Neill MP
Adam Holloway MP
Andrew Selous MP
Rt Hon Richard Benyon MP
Ross Thomson MP
Andrew Rosindell MP
Rt Hon Iain Duncan Smith MP
Richard Harrington MP
Dr Philip Lee MP
Anne Main MP
Julian Sturdy MP
Andrea Jenkyns MP
Alex Chalk MP
Stephen Metcalfe MP

William Wragg MP
Tom Pursglove MP
Ben Bradley MP
Peter Bone MP
Rt Hon Esther McVey MP
Richard Drax MP
Derek Thomas MP
Martin Vickers MP
Crispin Blunt MP
Rt Hon Sir Nicholas Soames MP
Jonathan Lord MP
Sir William Cash MP
Nigel Evans MP
Dr Daniel Poulter MP
Damien Moore MP
Rt Hon Dominic Grieve QC MP
Bim Afolami MP

June 27th 2019