

My letter to the Financial Secretary about the Loan Charge

I have written to the Financial Secretary on behalf a number of my constituents who have asked for a six month suspension of the Loan Charge until a full review is conducted. They would like the review to assess the full impact this may have on individuals in respect of loan arrangements when a proper declaration of affairs was made at the time and the Treasury did not then think tax was owing. I will post his reply when I receive it.

The Rt Hon Mel Stride MP
Financial Secretary
HM Treasury
1 Horse Guards Road
London SW1A 2HQ

5 April 2019

Dear Mel

I am writing to you on behalf of a number of my constituents.

They would like a six-month suspension to the introduction of the Loan Charge until a full review is conducted. They would like the review to assess the full impact this may have individuals in respect of loan arrangements they declared at the time and believed to be legal.

My constituents think it is entirely unreasonable for the Treasury to require payment of tax for many years ago when a proper declaration of affairs was made at the time and the Treasury did not then think tax was owing. It also seems wrong that interest will be charged on top of these payments. People naturally plan their lives and spending around their net income, and do not expect retrospective tax bills many years after the event.

I trust such a review will pay due attention to the cases of people who did declare what they were doing and who relied on the then tax assessment as further proof that their arrangement was legal.

I would appreciate your comments.

Yours ever