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Loan Charge campaigners write to Sir Keir Starmer to take up the offer to work with the Labour frontbench

The Loan Charge Action Group has written to the Leader of the Labour Party, Sir Keir Starmer to take up the offer he made to instruct Shadow Treasury Ministers to work with loan charge campaigners "to prevent anything like this happening again."

The <u>letter from LCAG</u>, who represent people facing the draconian Loan Charge, follows the publication of sections of a letter written by Sir Keir Starmer to Keith Gordon, a tax barrister who has been highlighting the way the Loan Charge undermines the rule of law and also the way HMRC and Ministers have been issuing misleading and contradictory statements about it.

This is the first time that Sir Keir Starmer has publicly expressed concern about the Loan Charge and indicates both a clear change of position and also a commitment to work with campaigners.

In his letter to Keith Gordon, Sir Keir says of the Labour Party's position:

"We recognise concerns about the impact of the loan charge on people's livelihoods. Many people face substantial payments for schemes they were often inadvertently forced into by employers or poorly advised by accountants.

"The impact in far too many cases has been extremely serious, in some cases leading to distressing financial and personal harm.

"We believe HMRC has urgent questions to answer about the handling of this issue and to ensure enforcement is fair and proportionate".

Sr Keir also informs Keith Gordon that, with regards to Government proposals to take more action against promoters of tax avoidance schemes:

"I've instructed my Shadow Treasury Ministers to scrutinise this legislation closely and improve it, with the help of loan charge campaigners, to prevent anything like this happening again."

LCAG have therefore written to Sir Keir to ensure this happens and also to request that he address the profound injustice of the Loan Charge scandal itself.

Without changes to the Loan Charge there will be many further bankruptcies in addition to the serious risk of further suicides. To date there have been seven suicides confirmed as being related to the Loan Charge, an issue that has been raised in Parliament but disregarded by Ministers and HMRC who have shown a callous lack of regard for people's lives.

The letter from LCAG has also been shared with the Labour officers of the Loan Charge and Taxpayer Fairness All Party Group (APPG).

There continues to be considerable opposition to the Loan Charge in Parliament with 115 Parliamentarians signing an open to the Prime Minister and Chancellor [LINK] that calls for an independent review and suspension of the Loan Charge.

Spokesperson for the Loan Charge Action Group, Steve Packham, said:

"We are delighted that Sir Keir Starmer has now made a clear statement expressing concern about the Loan Charge and the disastrous impact it will have on thousands of families.

"We also warmly welcome his offer to work with campaigners, and the Loan Charge Action Group looks forward to working with Labour Shadow Treasury Ministers to highlight the profound injustice of the legislation, as well as the wholesale failure of the Loan Charge to stop promoters of schemes. We thank Keith Gordon for the way he was continued to press Sir Keir on this issue and we look forward to the support of many more MPs in the fight against this dangerous and unjust piece of legislation."

Tax barrister Keith Gordon said:

"I have long been prepared to work with any MP of any political affiliation in order to resolve this issue. I am glad that the Labour front bench now seems prepared to address the unfairness caused by the loan charge and the wider problems within the tax system that the loan charge has highlighted. I look forward to working with them in order to reinstate fairness within the system."

ENDS