



HM Revenue
& Customs

John-Paul Marks
Chief Executive and First
Permanent Secretary

Queen Elizabeth House
1 Sibbald Walk
Edinburgh
EH8 8FT

LC Action Group Ltd
71-75 Shelton Street
Covent Garden
London
WC2H 9JQ

28 January 2026

Dear Mr Packham and Mr Earnshaw,

Thank you for your letter of 12 January 2026 about HMRC data and analysis.

As part of our work supporting the tax policy making process, we provide HM Treasury officials and Ministers with data and analysis to inform decision making. As part of the Budget process, we model the anticipated fiscal impacts of proposed policy changes. These costings are submitted to the independent Office for Budget Responsibility (OBR) for their certification.

As you set out in your letter, HMRC holds a significant amount of operational and administrative data, including individual level data from PAYE and Self Assessment returns, as well as scheme level data obtained from the operators of disguised remuneration schemes.

HMRC data was used to establish the tax base of estimated outstanding loan charge liabilities that we expected to collect as a result of compliance activity and debt collection activity, without a policy change. The costing was then estimated by applying the average settlement discount to the yield due from the individuals and employers that we modelled would settle in that tax base. This costing was certified by the OBR.

The Budget 2025 Policy Costings document can be found here:

https://assets.publishing.service.gov.uk/media/692872fd2a37784b16ecf676/Budget_2025-Policy_Costings.pdf

The OBR's Economic and Fiscal Outlook document can be found here:

https://obr.uk/docs/dlm_uploads/OBR_Economic_and_fiscal_outlook_November_2025.pdf

Information is available in large print, audio and Braille formats.
Text Relay service number – 18001



Under the terms of reference for the independent review of the loan charge, the Government committed to publishing all of the data provided to the review by HMRC. This will be published in due course.

Thank you for taking the time to write to me with your concerns.

Yours sincerely



John-Paul Marks
CHIEF EXECUTIVE & FIRST PERMANENT SECRETARY