

## Loan Charge Action Group CAMPAIGNERS DESCEND ON WESTMINSTER TO TELL PRIME MINISTER "KEEP YOUR PROMISE, BORIS"

Media Briefing 2<sup>nd</sup> September 2019

Protest: 11.00am Wednesday 4<sup>th</sup> September 2019, St Stephen's Entrance, House of Commons

Candlelit Vigil: 5:00pm Tuesday 3<sup>rd</sup> September 2019, Outside Whitehall HMRC office, London

Campaigners from the Loan Charge Action Group (LCAG) will greet Boris Johnson and MPs returning from summer recess this Wednesday 4<sup>th</sup> September 2019. They are calling on the Prime Minister "KEEP YOUR PROMISE, BORIS" to honour his commitment to suspend the Loan Charge and set up an independent review. The Loan Charge legislation is a punitive retrospective tax policy that is threatening UK contract workers and their families with bankruptcy.

On the eve of the protest campaigners will hold a one-hour candlelit vigil outside the offices of HMRC in memory of those who have taken their own lives following aggressive action by HMRC officers. They will also deliver a letter to HMRC on behalf of bereaved families who have lost family members to the Loan Charge.

At the Conservative Leadership hustings in Carlisle on 1<sup>st</sup> July 2019, Boris Johnson promised to review the Loan Charge legislation, saying: "They [the individuals] were encouraged to do it [agree to Loan Charge related employment arrangements] and they were told it was an acceptable thing to do. It seems superficially unjust to me that they should then be retrospectively pursued for what they were told was an entirely legal option.... It needs a proper independent review."

Protestors now fear the Prime Minister will use his controversial decision to suspend Parliament (as early as 10<sup>th</sup> September) and the conference season (commencing 14<sup>th</sup> September) to duck that commitment. This would leave tens of thousands of contract workers, who have broken no law, facing life-changing retrospective tax bills. They would be in agonising limbo. This increases the risk that more desperate Loan Charge victims will take their own lives.

The campaign protesters are sponsored by Sir Edward Davey (Liberal Democrat MP for Kingston & Surbiton) and will meet some of the 100+ supportive MPs. These MPs have written to Boris Johnson and Sajid Javid in support of the suspension of the Loan Charge and an independent review of the legislation. The campaigners are calling on the Prime Minister

to make a statement at PMQs about whether an assessment has been made on the number of bankruptcies that will arise from the Loan Charge, and what support can be offered to the families of people who have committed suicide whilst facing such potentially huge tax bills. They also want him to reaffirm his earlier commitment to suspend the Loan Charge pending an independent review.

LCAG is aware of at least three people who have recently taken their own lives as a direct result of the Loan Charge and report a 200% increase in distress calls expressing suicidal thoughts to its helpline over the summer. The organisation believes call rates and suicide interventions are accelerating with the deadline for Loan Charge settlements fast approaching. It has written to the Loan Charge All Party Parliamentary Group to reiterate its fears for the mental health impact on workers affected by the Loan Charge, as well as its concern that the small volunteer team may ultimately not be able to deliver the necessary level of support.

LCAG Wellbeing Counsellors refer to the insidious way that those pursued for retrospective tax grabs are affected in mind and body as *"Financial Torture"*. They say that:

"The debilitating stress that these people are exposed to is not due to a predictable response to a conscious action on their part. They are being financially punished and bullied without having committed any crime. They simply signed up to payroll arrangements that have operated for 20+ years and that were entirely legal options. They did not create or run any of these schemes, they simple followed professional advice.

"HMRC, under direction from the previous Treasury, are seeking to shame them by painting a picture of deliberate action in order to ignore the Government's and HMRC's key role in all of this.

"They have been left to pay the price for someone else's actions and inactions. They are being forced to accept punitive terms - with no right of appeal - to end their nightmare under threat of even greater penalty thus leaving them and their families isolated and facing effective annihilation. The only certainty the victims face is that they will be left destitute by a humiliated and bullying HMRC looking to make an example of innocent people."

Steve Packham, spokesperson for LCAG says:

"The Prime Minister's commitment, made at the Leadership hustings in Carlisle, gave thousands of families some hope that this dangerous and immoral policy would be properly reviewed before more lives are ruined, but we now fear that the suspension of parliament, possible vote of no confidence and even Brexit itself will be used to obviate this.

"Whilst this is a critical moment for the United Kingdom, it must be recognised that innocent workers are facing imminent ruin by this Government and HMRC, along with loss of their home and families. It really does not matter to them whether we leave or stay in Europe. What is required is an immediate suspension of the Loan Charge before more lives are lost.

"We note that many of Mr Johnson's supporters are strong opponents of the Loan Charge and we urge them to ensure that he follows through with his commitment to stop it. Lives are at stake as well as the reputation of the UK as a country that believes in the rule of law. The premise is simple: He said he'd do this; so Keep Your Promise, Boris."

## Notes to editors Media Contact Mark Sebright – marks@imagenuk.com / 07988 680746

- 1. **The Loan Charge Action Group (LCAG)** is a volunteer run group of people facing the Loan Charge. LCAG seeks campaign to change the Loan Charge and also provided a community where individuals can find information and support. The Group does not provide any form of chargeable service or professional advice. See <u>www.hmrcloancharge.info</u>
- 2. **LCAG members' survey:** In summer 2018, LCAG surveyed 500 of its members about the impact of the Loan Charge with respondents reporting:

Depression / Anxiety / Mental health impact:	68%
Bankruptcy:	71%
Loss of residence / home:	49%
Divorce / Relationship breakdown:	31%
Loss of career:	30%
Suicidal thoughts / self-harm:	39%

3. The APPG Loan Charge Inquiry report published 2<sup>nd</sup> April 2019 exposes the dangerous reality of the Loan Charge, with its impact on people's mental health. The report calls for a delay and suspension of the Loan Charge and all associated settlement and an independent Review into the Loan Charge led by an experienced tax judge