



Jesse Norman MP
Financial Secretary to the Treasury
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

2nd December 2020

Dear Mr Norman,

File on 4, BBC Radio 4 Tuesday 20th October and the House of Lords Economic Affairs Finance Sub-Committee oral evidence session Monday 2nd November

We are writing to you following the BBC File on 4 documentary, first broadcast on Tuesday 20 October entitled Taxing Situations and the House of Lords Economic Affairs Finance Sub-Committee oral evidence session Monday 2nd November.

When you were questioned about the contents of the File on 4 programme at the House of Lords EAC Finance Bill Sub-Committee meeting on Monday 2 November, you refused to answer questions.

Considering the serious concerns to thousands of taxpayers, we are now asking you the following questions, on the record. We assume that you will want to be open, honest and transparent and answer these questions fully and truthfully:

1. Can you, as the Minister responsible for tax, confirm that only those who used the loan schemes are being pursued to pay the tax that HMRC claims has been avoided and that those who promoted, enabled, operated, and profited from the loan schemes have not paid any of the disputed tax?
2. Can you confirm that not a penny of the disputed tax related to the Loan Charge (that HMRC states is due) has been paid by any Knox Group companies, their employees or their directors?
3. Are you aware that the Lancaster Knox LLP have donated over £220,000 to the Conservative Party?
4. Are you aware that Mr Doug Barrowman, who is engaged to a Conservative Parliamentarian, tried to donate money to the Conservative Party but the donation was not permitted under electoral rules, with The Electoral Commission citing Mr Barrowman as an 'impermissible donor'?

5. Have you attended functions and socialised with Doug Barrowman and/or Baroness Mone before or since she was put into the House of Lords in 2015 by the then Prime Minister David Cameron?
6. Did you have any dealings with Baroness Mone between 18 July 2016 and 14 June 2017, the period when you were appointed as junior minister in the Department for Business, Energy and Industrial Strategy and when the controversial Loan Charge was introduced by the Government? Did you discuss the Loan Charge, Employment Benefit Trusts or disguised remuneration schemes with her?
7. Are you (and your wife, Kate Bingham, currently Chair of the UK Vaccine Taskforce) friendly with Mr Barrowman and/or Baroness Mone and have you attended any functions or events with either or both of them?
8. Please explain your relationship with Richard Sharp who donated £2,500 to your own Conservative constituency association/campaign in the run up to the December 2019 election.
9. It was reported in Private Eye edition 1520 (24th April - 7th May 2020) that up until 2007 Mr Sharp, who was a regular donor to the Tory Party from 2001 to 2010, had a role on Goldman Sachs' European Management Committee. That role, according to Private Eye, links to one of the larger tax avoidance schemes on record involving bankers' bonuses being paid via offshore trusts and companies to avoid National Insurance. Have you asked Mr Sharp if he had involvement in this (or any other) tax avoidance scheme? If so, what was his answer?
10. Goldman Sachs were given a deeply controversial and secret 'sweetheart' tax deal by HMRC who let them off £10-20 million of interest on a failed tax avoidance scheme. This emerged through leaked documents which revealed a secret meeting between the boss of HMRC and Goldman Sachs. The Guardian recently revealed that then Head of the NAO, Amyas Morse, appeared to undermine the process before it had even started by telling Dave Hartnett that the inquiry would find 'nothing of substance'. Were you aware of Sir Amyas Morse's comments in this matter, before he was appointed to head the supposedly 'independent' Loan Charge review, that was later exposed as being far from independent?

We are sure you will want to give full and honest answers to these important questions. We are copying this letter to members of the House of Lords EAC Finance Bill Sub-Committee.

Yours sincerely,



Steve Packham



Andrew Earnshaw

Spokesman & Executive Director Executive Director

On behalf of the Loan Charge Action Group