



HM Revenue
& Customs

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Dear Sirs

Thank you for your letter of 16 September 2026. I am replying on behalf of the Chief Executive as Director responsible for HMRC's work with customers who have open interventions relating to disguised remuneration. This includes customers liable to the Loan Charge and those eligible for the new Loan Charge Settlement Scheme.

I recognise the strength of feeling around the Loan Charge and the serious concerns you raise. I also know that dealing with tax matters can be difficult and, for some customers, can add to existing pressures and challenges. When a customer needs extra help, we have a responsibility to try and proactively identify that and provide appropriate support.

Death or Serious Injury cases in England & Wales are subject to independent oversight through mandatory referral to the Independent Office for Police Conduct (IOPC). The IOPC consider each referral and decides whether an investigation is required, and who should conduct it. Investigations can be conducted locally either by us, by us under the direction of the IOPC, or independently by the IOPC.

Where the IOPC decide no investigation is necessary, they will return it to us to deal with as we see appropriate. Where a case is referred, we will conduct a review using a team with no prior involvement, to consider whether we missed opportunities to support the customer and whether we should make improvements.

Each of the 41 Death or Serious Injury referrals relating to disguised remuneration (DR) customers were considered individually through the relevant review process. In addition to those individual reviews, we have undertaken several thematic analyses of completed Death or Serious Injury reviews to identify recurring customer-service issues. These analyses included reviews focused specifically on customers who had participated in DR arrangements, as well as wider reviews covering all tax matters that included DR cases.

Our analyses identified opportunities to improve how we recognise and respond to customers who may need extra support. They highlighted the importance of tailoring our engagement to customers' circumstances, making reasonable adjustments where appropriate, and maintaining clear communication during lengthy compliance checks.

We have actioned the findings to deliver necessary change to process and policy. This includes improvements to extra-support training, guidance and management assurance, as well as continuing work to understand and address barriers to timely case progression and regular customer updates.

Within my directorate, we have strengthened the support available to customers with Loan Charge and DR liabilities. We have trained all caseworkers to identify more effectively customers who may need extra support and to respond appropriately, including by considering reasonable adjustments. We reinforce this through updated learning products and support for staff handling difficult or sensitive conversations. We allocate customers a named caseworker who can answer questions about their case and consider any adjustments needed when engaging with us.

While this does not diminish the seriousness of the individual cases, it is important we continue to learn from them and improve how we identify and respond to customer risk. I acknowledge, however, there is always more we can do.

Should a further Death or Serious Injury referral involving a customer with Loan Charge or DR liabilities be required, it would be considered carefully through our established oversight and Death or Serious Injury processes. We would consider any learning alongside themes from previous reviews and would inform organisational improvement activity aimed at supporting customers.

Our Charter sets out the standards and behaviours that customers and agents can expect from us. We know there is a human being behind every tax bill and that maintaining public trust in the tax system depends not only on applying the law correctly, but also on doing so with appropriate regard to customers' individual circumstances. That is particularly important when a customer may be vulnerable or may need additional support.

We will continue to apply the learning from Death or Serious Injury reviews and monitor whether further action is needed as work with this customer group progresses.

Yours faithfully

A handwritten signature in black ink that reads "Jonathan Smith". The script is cursive and fluid, with the first name and last name clearly distinguishable.

Jonathan Smith
DIRECTOR, Counter Avoidance