



HM Revenue  
& Customs

**Jim Harra**  
**Chief Executive and First Permanent**  
**Secretary**

2/75  
100 Parliament Street  
London  
SW1A 2BQ

3 March 2020

Dear Sir Ed,

I am writing in response to your letter of 2 March 2020 and further to my letter of 28 February 2020. As stated in my previous letter, I strongly reject the Loan Charge All Party Parliamentary Group (the APPG)'s assertions that HMRC's recent press release is misleading.

The opening sentence of that press release states unequivocally that five people were arrested "on suspicion of fraud in connection with promoting arrangements designed to get around paying the loan charge". The press release does not say, or imply, that users of disguised remuneration schemes have committed fraud.

Both the APPG and the recent independent loan charge review have urged HMRC to take action against those who promote schemes that claim to get around the loan charge, and our press release shows we are doing exactly that. I am disappointed that, instead of welcoming the action we have taken, the APPG has chosen to criticise us by misrepresenting what we have said.

You also state that you have information about several schemes that claim to get around the loan charge. I would urge you to share that information with us so that we can continue to take action against those who seek to exploit the very people the APPG was formed to protect.

As I stated previously, in view of the seriousness of the latest unfounded allegations that the APPG has made against HMRC, I assume you will want to bring this response to the attention of APPG members and will arrange for it to be published on the APPG's website.

I have copied this to the APPG's Secretariat alongside Ruth Cadbury MP and Sir Mike Penning MP as co-signatories to the letter.

Yours sincerely,

**Jim Harra**  
**CHIEF EXECUTIVE AND FIRST PERMANENT SECRETARY**

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