

THE DISGUISED REMUNERATION REPAYMENT SCHEME 2020

1. Establishing the Scheme

- 1.1. This scheme (the “**Disguised Remuneration Repayment Scheme 2020**” or “**Scheme**”) is established pursuant to section 20 of Finance Act 2020.

2. Operation of the Scheme

- 2.1. This Scheme is operative from the date Finance Bill 2020 receives Royal Assent and clauses 20 (Repaying sums paid to HMRC under agreements relating to certain loans etc) and 21 (Operation of the scheme) thereof come into force.
- 2.2. This Scheme may be amended by the Commissioners at any time and from time to time.

3. Defined words and phrases

- 3.1. In this Scheme:

- 3.1.1. “**Acceptance**” means a written notice sent by an applicant to the Commissioners satisfying the requirements set out in paragraph 7.15;
- 3.1.2. “**Adjustment Amount**” means an amount that, at the Commissioners’ discretion, represents any tax, National Insurance or interest advantage an applicant or any other person would obtain as a result of a repayment or waiver of Voluntary Restitution, Interest or Default Interest under this Scheme;
- 3.1.3. “**Amended Repayment Decision**” means a written notice sent by the Commissioners to an applicant satisfying the requirements set out in paragraph 7.33;
- 3.1.4. “**applicant**” means a person making an application;
- 3.1.5. “**application**” means an application under this Scheme for a repayment or waiver of Voluntary Restitution, Interest or Default Interest;
- 3.1.6. in the context of National Insurance contributions, “**Class 1**”, “**Class 2**” and “**Class 4**” have the meanings given to them in section 1(2) of the Social Security Contributions and Benefits Act 1992 or section 1(2) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992, as applicable;

- 3.1.7. “**Confirmation**” means a written notice sent by an applicant to the Commissioners in response to a Continuation Notice confirming that the applicant wishes to continue with their application;
- 3.1.8. “**Continuation Notice**” means a written notice sent by the Commissioners to an applicant seeking confirmation that the applicant wishes to continue with their application;
- 3.1.9. “**counterparty**” means a signatory to a settlement agreement other than the Commissioners provided that where, at the Commissioners’ discretion, a settlement agreement has been replaced with another agreement, it means the signatory to the replacement agreement other than the Commissioners;
- 3.1.10. “**Default Interest**” means the amount paid, treated as paid or due to be paid under a settlement agreement that, at the Commissioners’ discretion, the Commissioners may decide is interest paid, treated as paid or due to be paid by reason of any person defaulting on the payment of Voluntary Restitution or Interest;
- 3.1.11. “**deputy**” means a person appointed under section 16 of the Mental Capacity Act 2005 to make decisions on a counterparty’s behalf in relation to the counterparty’s property and affairs or such other person as the Commissioners may decide has authority to act on a counterparty’s behalf where the counterparty lacks the required mental capacity;
- 3.1.12. “**Forward Interest**” means the amount paid, treated as paid or due to be paid under a settlement agreement that, at the Commissioners’ discretion, the Commissioners may decide is interest paid, treated as paid or due to be paid by reason of any Voluntary Restitution or Late Payment Interest being paid by instalments;
- 3.1.13. “**Interest**” comprises Forward Interest and Late Payment Interest;
- 3.1.14. “**ITEPA 2003**” means the Income Tax (Earnings and Pensions) Act 2003;
- 3.1.15. “**Late Payment Interest**” means the amount paid, treated as paid or due to be paid under a settlement agreement that, at the Commissioners’ discretion, the Commissioners may decide is or is referable to late payment interest paid, treated as paid or due to be paid on Voluntary Restitution;

- 3.1.16. “**Legal Documentation**” means documentation that when legally binding on all parties to it discharges, varies or supplements the legal obligations contained in a settlement agreement in such a way as to reflect, at the Commissioners’ discretion, the determination of the application to which it relates;
- 3.1.17. “**National Insurance contributions**” means a liability arising under Part 1 of the Social Security Contributions and Benefits Act 1992 or Part 1 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992;
- 3.1.18. “**Notice of Intention to Recover**” means a written notice sent by the Commissioners to an applicant satisfying the requirements set out in paragraph 9.2;
- 3.1.19. “**personal representative**” means the person entitled under the law of England and Wales to administer a deceased person’s property situated in England and Wales;
- 3.1.20. “**Recovery Decision**” means a written notice sent by the Commissioners to an applicant satisfying the requirements set out in paragraph 9.9;
- 3.1.21. “**Recovery Response**” means a written notice sent by an applicant to the Commissioners satisfying the requirements set out in paragraph 9.4;
- 3.1.22. “**Repayment Decision**” means a written notice sent by the Commissioners to an applicant satisfying the requirements set out in paragraph 7.12;
- 3.1.23. “**Repayment Demand**” means a written notice sent by the Commissioners to an applicant demanding the payment of the amount stated in a Notice of Intention to Recover, including a Notice of Intention to Recover amended under paragraph 9.9.2, or some lesser amount, and stating the date by which the payment must be made;
- 3.1.24. “**Review Request**” means a written notice sent by an applicant to the Commissioners satisfying the requirements set out in paragraph 7.18;
- 3.1.25. “**settlement agreement**” means an agreement:
- 3.1.25.1. made with the Commissioners;
 - 3.1.25.2. on or after 16 March 2016 and before 11 March 2020;

- 3.1.25.3. for, at the Commissioners' discretion, the settlement of liabilities arising out of the use of one or more disguised remuneration schemes;
- 3.1.25.4. which, at the Commissioners' discretion, and having regard to paragraph 4.2, the Commissioners may decide imposes an obligation on any party to it to pay an amount of income tax that is referable (directly or indirectly) to a loan or quasi-loan made on or after 6 April 1999 and before 6 April 2016; and
- 3.1.25.5. which, at the Commissioners' discretion, does not replace an agreement made before 16 March 2016 between any person and the Commissioners;
- 3.1.26. **"Updated Repayment Decision"** means a written notice sent by the Commissioners to an applicant following a Review Request satisfying the requirements set out in paragraph 7.25; and
- 3.1.27. **"Voluntary Restitution"** means the amount paid, treated as paid or due to be paid under a settlement agreement that, at the Commissioners' discretion, and having regard to paragraphs 4.3 to 4.7, the Commissioners may decide is or is referable to:
- 3.1.27.1. an amount of:
- 3.1.27.1.1. income tax; or
 - 3.1.27.1.2. National Insurance contributions;
- 3.1.27.2. referable (directly or indirectly) to a loan or quasi-loan made on or after 6 April 1999 and before 6 April 2016;
- 3.1.27.3. that an officer of Revenue and Customs had no power to recover at the time the settlement agreement was made;
- 3.1.27.4. that was treated for the purposes of the settlement agreement as an amount an officer of Revenue and Customs had no power to recover; and
- 3.1.27.5. that, in a case where the loan or quasi-loan in paragraph 3.1.27.2 was made on or after 9 December 2010, at a time when an officer of Revenue and Customs had the power to recover the amount a tax return, or two or more tax returns of the same type taken together, contained a reasonable disclosure of the loan or quasi-loan.

4. Interpretation

Adjustment Amount

- 4.1. For the purpose of paragraph 3.1.2, and without limiting its application, an applicant or any other person may be treated as obtaining a tax, National Insurance or interest advantage as a result of a repayment or waiver of Voluntary Restitution, Interest or Default Interest under this Scheme where they have accounted for, or otherwise relied on, the payment of Voluntary Restitution, Interest or Default Interest, or the obligation under a settlement agreement to pay Voluntary Restitution, Interest or Default Interest, in such a way as to:
- 4.1.1. avoid, reduce, defer or otherwise mitigate a tax, National Insurance or interest liability; or
 - 4.1.2. claim, extend, increase or otherwise benefit from a relief, credit, exemption, exception, concession or equivalent in respect of a tax, National Insurance or interest liability.

Settlement Agreement

- 4.2. For the purpose of paragraph 3.1.25.4, an amount of income tax is “referable (directly or indirectly) to a loan or quasi-loan” if it is, at the Commissioners’ discretion, charged on, or arises on or in respect of, an amount of income that is, or overlaps with, the subject of that loan or quasi-loan.

Voluntary Restitution

- 4.3. In exercising their discretion under paragraph 3.1.27, the Commissioners may, in the absence of any agreement to the contrary, determine the order in which liabilities included in a settlement agreement have been paid, treated as paid or are due to be paid.
- 4.4. For the purpose of:
- 4.4.1. paragraph 3.1.27.2, an amount of income tax or National Insurance contributions is “referable (directly or indirectly) to a loan or quasi-loan” if and only to the extent that it is, at the Commissioners’ discretion, charged on, or arises on or in respect of, an amount of income that is, or

- overlaps with, such of the subject of that loan or quasi-loan as was outstanding at the time the settlement agreement was made; and
- 4.4.2. paragraph 4.4.1, whether the subject of a loan or quasi-loan was “outstanding” at the time the settlement agreement was made is to be determined in accordance with the provisions of Schedule 11 to Finance (No 2) Act 2017 or Schedule 12 to that Act and does not depend on the loan or quasi-loan subsisting at the time the settlement agreement was made.
- 4.5. For the purposes of paragraphs 3.1.27.3 and 4.6.1, and without limiting the circumstances in which an officer of Revenue and Customs will be treated as having had power to recover an amount at the time a settlement agreement was made, an officer of Revenue and Customs will be treated as having had power to recover an amount at the time a settlement agreement was made if at that time they had:
- 4.5.1. where the amount is an amount of income tax, issued a determination under regulation 80 of the Income Tax (Pay As You Earn) Regulations 2003 in respect of any year for which the amount may have been payable or had power to issue such a determination; and
- 4.5.2. where the amount is an amount of Class 1, Class 2 or Class 4 National Insurance contributions, taken action to protect or recover the amount or could have taken action to protect or recover the amount.
- 4.6. For the purpose of paragraph 3.1.27.3, where an amount was treated for the purpose of a settlement agreement as an amount of income tax that would arise on a future relevant step under Part 7A of ITEPA 2003, an officer of Revenue and Customs will be treated as having had no power to recover it at the time the settlement agreement was made only if the sum of money or asset that was the subject of the future relevant step on which it would arise overlapped with a sum of money or asset by reference to which, on an occasion that occurred before the settlement agreement was made, a liability for an amount of income tax (the “earlier amount”) arose and:
- 4.6.1. an officer of Revenue and Customs had no power to recover the earlier amount at the time the settlement agreement was made; and
- 4.6.2. where the liability for the earlier amount was settled under the settlement agreement, the earlier amount was treated for the purposes of the

settlement agreement as an amount an officer of Revenue and Customs had no power to recover.

- 4.7. For the purpose of paragraph 3.1.27.5, whether a tax return, or two or more tax returns of the same type taken together, contained a reasonable disclosure of the loan or quasi-loan is to be determined in accordance with section 20(5) of Finance Act 2020.

5. Eligibility to make an application

Applicants

- 5.1. A counterparty may make an application.
- 5.2. Where there is only one counterparty an application can be made only by that counterparty.
- 5.3. Where there is more than one counterparty an application can be made only by all of the counterparties jointly.
- 5.4. Where a counterparty has died, an application can be made only by the deceased counterparty's personal representative.
- 5.5. Where a counterparty lacks the mental capacity needed to make an application an application can be made only by that counterparty's deputy.

Assuming an application

- 5.6. Where a counterparty dies subsequent to making an application, the counterparty's personal representative may assume the deceased counterparty's application.
- 5.7. Where a counterparty loses mental capacity subsequent to making an application, the counterparty's deputy may assume the counterparty's application.
- 5.8. Where a deceased counterparty's personal representative assumes an application under paragraph 5.6, or a counterparty's deputy assumes an application under paragraph 5.7, they will become the applicant for the purposes of that application.

6. The application process

The application

6.1. To be valid an application must:

- 6.1.1. be made in accordance with paragraph 5;
- 6.1.2. be made using the form provided by the Commissioners for the purpose of making an application under this Scheme;
- 6.1.3. include the information requested in the form provided by the Commissioners;
- 6.1.4. be submitted:
 - 6.1.4.1. by post to HM Revenue & Customs, Counter-Avoidance, S0694, Newcastle NE98 1ZZ;
 - 6.1.4.2. by post to such other address as the Commissioners may provide for the purpose;
 - 6.1.4.3. by email to ca.loancharge@hmrc.gov.uk; or
 - 6.1.4.4. by such other method as the Commissioners may specify; and
- 6.1.5. be received by the Commissioners on or after the date this Scheme becomes operative and on or before 30 September 2021.

6.2. The Commissioners may request further information from an applicant where such information is reasonably required:

- 6.2.1. to make the application valid in accordance with paragraph 6.1; or
- 6.2.2. to enable the Commissioners to determine whether the application is valid in accordance with paragraph 6.1.

6.3. Further information required under paragraph 6.2 must be requested by the Commissioners sending a written notice to the applicant stating:

- 6.3.1. the further information requested; and
- 6.3.2. the date by which the further information must be received by the Commissioners.

6.4. Where the Commissioners receive the further information requested under paragraph 6.3 by the date notified under paragraph 6.3.2 they will send a written notice to the applicant stating whether their application is valid.

6.5. Where the Commissioners do not receive the further information requested under paragraph 6.3 by the date notified under paragraph 6.3.2 they may terminate the application.

Withdrawal of an application

- 6.6. An applicant may withdraw their application at any time by sending a written notice to the Commissioners stating that the application is withdrawn.
- 6.7. Where an applicant withdraws their application under paragraph 6.6 the withdrawal will be effective on the date the notice is received by the Commissioners.
- 6.8. Where an application is being made by applicants jointly the withdrawal of the application by one applicant in accordance with paragraph 6.6 will effect the withdrawal of the application for all the applicants.

7. The determination process

- 7.1. A valid application will be considered by the Commissioners and determined in accordance with this Scheme.

Waiver

- 7.2. An applicant that makes a valid application is eligible for a waiver of the payment of any:
 - 7.2.1. Voluntary Restitution;
 - 7.2.2. Interest; and
 - 7.2.3. Default Interestdue to be paid to the Commissioners.
- 7.3. The Commissioners may at any time make the granting of a waiver conditional on any one or more of the following:
 - 7.3.1. the applicant or any other person entering into Legal Documentation;
 - 7.3.2. the applicant or any other person making a new agreement with the Commissioners under which they agree to pay to the Commissioners an Adjustment Amount (or such part of an Adjustment Amount as may be specified by the Commissioners);
 - 7.3.3. the satisfaction of such other conditions as may be determined by the Commissioners.

Repayment

- 7.4. An applicant that makes a valid application is eligible for a repayment of any:
- 7.4.1. Voluntary Restitution;
 - 7.4.2. Interest; and
 - 7.4.3. Default Interest
- paid or treated as paid to the Commissioners.
- 7.5. The Commissioners may reduce a repayment by any one or more of the following:
- 7.5.1. an Adjustment Amount (or such part of an Adjustment Amount as may be determined by the Commissioners);
 - 7.5.2. any amount that is due to be paid to them under the settlement agreement concerned (other than an amount of Voluntary Restitution, Interest or Default Interest);
 - 7.5.3. such other amounts as may be determined by the Commissioners.
- 7.6. The Commissioners may at any time make a repayment conditional on any one or more of the following:
- 7.6.1. the applicant or any other person entering into Legal Documentation;
 - 7.6.2. the applicant or any other person making a new agreement with the Commissioners under which they agree to pay to the Commissioners an Adjustment Amount (or such part of an Adjustment Amount as may be determined by the Commissioners);
 - 7.6.3. the satisfaction of such other conditions as may be determined by the Commissioners.
- 7.7. In determining the amount to be paid under a new agreement for the purposes of paragraphs 7.3.2 and 7.6.2 the Commissioners must take account of any repayment reduction that has been made under paragraph 7.5.1.

Further information

- 7.8. The Commissioners may at any time request further information from an applicant where such information is reasonably required to enable the Commissioners to determine:

- 7.8.1. an applicant's eligibility for a repayment or waiver;
 - 7.8.2. whether the making of a repayment or the granting of a waiver should be conditional and any conditions that must be satisfied;
 - 7.8.3. whether a repayment should be reduced and any amount it should be reduced by;
 - 7.8.4. any of the items that must be stated in a Repayment Decision under paragraph 7.12; or
 - 7.8.5. any other matter related to the determination of the application.
- 7.9. Further information required under paragraph 7.8 must be requested by the Commissioners sending a written notice to the applicant stating:
- 7.9.1. the further information requested; and
 - 7.9.2. the date by which the further information must be received by the Commissioners.
- 7.10. Where the Commissioners do not receive the further information requested under paragraph 7.9 by the date notified under paragraph 7.9.2 they may terminate the application.

Repayment Decisions

- 7.11. After considering a valid application, and any further information received in response to a request under paragraph 7.9, the Commissioners will send a Repayment Decision.
- 7.12. A Repayment Decision must state:
- 7.12.1. the date it was issued;
 - 7.12.2. if the applicant is not eligible for any of a repayment or waiver, the reason(s) why they are not eligible; and
 - 7.12.3. if the applicant is eligible for a repayment or waiver or both, such of the following as are relevant to the application:
 - 7.12.3.1. the Voluntary Restitution;
 - 7.12.3.2. the Interest;
 - 7.12.3.3. the Default Interest;
 - 7.12.3.4. any Adjustment Amount; and
 - 7.12.3.5. any amounts by which a repayment will be reduced under paragraphs 7.5.2 and 7.5.3.

7.13. An applicant may accept a Repayment Decision or request that the Commissioners review the matters stated in it pursuant to paragraph 7.12.

Acceptances

7.14. An applicant accepts a Repayment Decision by sending an Acceptance.

7.15. An Acceptance must state:

7.15.1. the identifying details of the Repayment Decision to which it relates;

7.15.2. the applicant's acceptance of the Repayment Decision; and

7.15.3. if requested by the Commissioners:

7.15.3.1. the name, address and bank details of the person to whom a repayment should be made; or

7.15.3.2. where a repayment is to be made to more than one person, the names, addresses and bank details of the persons to whom it should be made and the amounts or proportions each payee should receive.

7.16. The Commissioners must receive an Acceptance within two months of the date of issue of the Repayment Decision to which it relates.

Review Requests

7.17. An applicant requests that the Commissioners review the matters stated in a Repayment Decision pursuant to paragraph 7.12 by sending a Review Request.

7.18. A Review Request must state:

7.18.1. the identifying details of the Repayment Decision to which it relates;

7.18.2. the grounds on which the applicant is seeking a review;

7.18.3. the deficiency the applicant has identified in the Repayment Decision; and

7.18.4. the correction the applicant wishes the Commissioners to make to the Repayment Decision.

7.19. The Commissioners must receive a Review Request within two months of the date of issue of the Repayment Decision to which it relates.

7.20. A Review Request must include any evidence the applicant wishes the Commissioners to consider in support of the Review Request.

No response / late response to a Repayment Decision

7.21. If the Commissioners do not receive an Acceptance in accordance with paragraph 7.16, or a Review Request in accordance with paragraph 7.19, in response to a Repayment Decision, they may terminate the application.

Updated Repayment Decisions

7.22. In response to a Review Request the Commissioners will review the Repayment Decision to which the Review Request relates and send an Updated Repayment Decision.

7.23. The review of the Repayment Decision will be undertaken on behalf of the Commissioners by an officer of Revenue and Customs who was not previously involved in considering the application to which it relates.

7.24. The Commissioners will send an Updated Repayment Decision within two months of the date they received the Review Request.

7.25. An Updated Repayment Decision must:

7.25.1. state the date it was issued; and

7.25.2. state that the Repayment Decision to which the Review Request relates is upheld; or

7.25.3. where it is to replace the Repayment Decision to which the Review Request relates, state that it replaces it and satisfy the requirements set out in paragraph 7.12.

7.26. The Commissioners may request further information from an applicant where such information is reasonably required to enable the Commissioners to determine any of the matters that must be stated in an Updated Repayment Decision or any of the matters stated in paragraph 7.8.

7.27. Further information required under paragraph 7.26 must be requested by the Commissioners sending a written notice to the applicant stating:

7.27.1. the further information requested; and

7.27.2. the date by which the further information must be received by the Commissioners.

7.28. Paragraphs 7.14 to 7.16 apply in respect of an Updated Repayment Decision as they do to a Repayment Decision.

7.29. If the Commissioners do not receive an Acceptance within two months of the date of issue of the Updated Repayment Decision they may terminate the application.

7.30. An Updated Repayment Decision is not subject to a review under this Scheme.

Amended Repayment Decision

7.31. The Commissioners may send an Amended Repayment Decision at any time.

7.32. An Amended Repayment Decision replaces any preceding Repayment Decision, Amended Repayment Decisions and Updated Repayment Decisions.

7.33. An Amended Repayment Decision must:

7.33.1. state the identifying details of the immediately preceding Repayment Decision, Amended Repayment Decision or Updated Repayment Decision it replaces; and

7.33.2. satisfy the requirements set out in paragraph 7.12.

7.34. Paragraphs 7.14 to 7.30 apply in respect of an Amended Repayment Decision as they do to a Repayment Decision.

Confirming an application

7.35. The Commissioners may send a Continuation Notice at any time.

7.36. If the Commissioners do not receive a Confirmation within three months of the date the Continuation Notice was sent they may terminate the application.

Terminating an application

7.37. The Commissioners terminate an application under paragraphs 6.5, 7.10, 7.21, 7.29 and 7.36 by sending a written notice to the applicant stating that the application has been terminated.

7.38. Termination of an application is effective on the date the notice referred to in paragraph 7.37 is sent to the applicant.

7.39. Termination of an application is treated for all purposes as the full and final determination of that application.

8. Legal Documentation and other conditions

- 8.1. Where the granting of a waiver or the making of a repayment is conditional on the applicant or any other person entering into Legal Documentation under paragraphs 7.3.1 or 7.6.1 the Commissioners will, in response to an Acceptance, send the Legal Documentation to be entered into to the applicant.
- 8.2. Until such time as all of the conditions the Commissioners impose under paragraphs 7.3 and 7.6 are satisfied:
 - 8.2.1. no person shall have any right to a waiver under this Scheme; and
 - 8.2.2. no person shall have any right to a repayment under this Scheme.
- 8.3. When all of the conditions the Commissioners impose under paragraphs 7.3 and 7.6 have been satisfied the application concerned shall be treated for all purposes as having been fully and finally determined.

9. Recovering amounts repaid and waived

Notice of Intention to Recover

- 9.1. Where the Commissioners decide that an application, Repayment Decision, Acceptance, Review Request, Updated Repayment Decision, Amended Repayment Decision, further information or evidence provided in respect of an application under this Scheme or Legal Documentation contains an error or omission that has resulted in an amount being repaid under this Scheme that should not have been repaid, or a waiver being granted under this Scheme that should not have been granted, the Commissioners may, within 12 months of the repayment being made or the waiver being granted, send a Notice of Intention to Recover.
- 9.2. A Notice of Intention to Recover must state:
 - 9.2.1. the date it was issued;
 - 9.2.2. the Repayment Decision, Amended Repayment Decision or Updated Repayment Decision to which it relates;
 - 9.2.3. the Commissioners' intention to recover from the applicant the amount mistakenly repaid under this Scheme, the amount payment of which was mistakenly waived under this Scheme, or both;
 - 9.2.4. the amount the Commissioners intend to recover from the applicant; and

- 9.2.5. the reason(s) the Commissioners intend to recover the amount from the applicant.

Recovery Response

- 9.3. An applicant may dispute any of the matters stated in a Notice of Intention to Recover by sending a Recovery Response.
- 9.4. A Recovery Response must state:
 - 9.4.1. the identifying details of the Notice of Intention to Recover to which it relates;
 - 9.4.2. the matters stated in the Notice of Intention to Recover that the applicant disputes;
 - 9.4.3. the grounds on which the applicant disputes those matters; and
 - 9.4.4. the correction the applicant wishes the Commissioners to make to the Notice of Intention to Recover.
- 9.5. The Commissioners must receive a Recovery Response within two months of the date of issue of the Notice of Intention to Recover to which it relates.
- 9.6. A Recovery Response must include any evidence that the applicant wishes the Commissioners to consider in support of the Recovery Response.

Recovery Decision

- 9.7. In response to a Recovery Response the Commissioners will review the Notice of Intention to Recover to which the Recovery Response relates and send a Recovery Decision.
- 9.8. The Commissioners will send a Recovery Decision within two months of the date they received the Recovery Response.
- 9.9. A Recovery Decision will state that the Notice of Intention to Recover is:
 - 9.9.1. withdrawn;
 - 9.9.2. amended (and particularise the amendments that have been made to it);
or
 - 9.9.3. upheld.
- 9.10. The Commissioners may request further information from an applicant where such information is reasonably required to enable the Commissioners to determine any of the matters that must be stated in a Recovery Decision.

9.11. Further information required under paragraph 9.10 must be requested by the Commissioners sending a written notice to the applicant stating:

9.11.1. the further information requested; and

9.11.2. the date by which the further information must be received by the Commissioners.

Repayment Demand

9.12. Where the Commissioners:

9.12.1. do not receive a Recovery Response in response to a Notice of Intention to Recover;

9.12.2. amend a Notice of Intention to Recover under paragraph 9.9.2; or

9.12.3. uphold a Notice of Intention to Recover under paragraph 9.9.3;

they may send a Repayment Demand.

9.13. The applicant must pay to the Commissioners the amount demanded in the Repayment Demand by the date stated therein.

10. Effect of a repayment and waiver on certain reliefs

10.1. The making of a repayment under this Scheme shall not affect:

10.1.1. any person's entitlement to benefit from relief available under section 554Z5 of ITEPA 2003 that depended or depends on:

10.1.1.1. income tax forming part of Voluntary Restitution paid or treated as paid under the settlement agreement having been paid in full for the purposes of section 554Z5(4)(b)(i) of ITEPA 2003; or

10.1.1.2. a person having agreed terms with an officer of Revenue and Customs for the discharge of income tax forming part of Voluntary Restitution paid or treated as paid under the settlement agreement for the purposes of section 554Z5(4)(b)(ii) of ITEPA 2003; or

10.1.2. any person's entitlement to benefit from relief under paragraph 59(2)(a) of Schedule 2 to Finance Act 2011 that depended or depends on the payment of Voluntary Restitution to the extent (and only to the extent) that the value of the chargeable step is reduced by an amount reflecting the extent to which, as determined under sub-paragraph (1)(f) of that

paragraph, the value represents (or still represents) the earnings mentioned in sub-paragraph (1)(f)(i) of that paragraph.

10.2. The granting of a waiver under this Scheme shall not affect any person's entitlement to benefit from relief under section 554Z5(4)(b)(ii) of ITEPA 2003 that depended or depends on a person having agreed terms with an officer of Revenue and Customs for the discharge of income tax forming part of Voluntary Restitution paid, treated as paid or due to be paid under the settlement agreement.

11. Effect of a repayment on certain benefits

11.1. The making of a repayment under this Scheme will not have effect in any case so as to:

11.1.1. remove any person's entitlement to a contributory benefit, contribution-based jobseeker's allowance or statutory payment; or

11.1.2. reduce the amount of any such benefit, allowance or payment to which any person has an entitlement.

11.2. The terms used in paragraph 11.1.1 have the meanings given to them in the Social Security Contributions and Benefits Act 1992 or the Social Security Contributions and Benefits (Northern Ireland) Act 1992, as applicable.

12. Miscellaneous

Time periods

12.1. The Commissioners may, at any time, at the request of an applicant or on their own initiative, extend the time periods provided for in paragraphs 3.1.23, 6.3.2, 7.9.2, 7.16, 7.19, 7.24, 7.27.2, 7.29, 7.36, 9.5, 9.8 and 9.11.2.

Notices

12.2. In this Scheme, "written notice" includes communication by email.

12.3. Anything to be sent to the Commissioners under or in connection with this Scheme must be sent:

12.3.1. by post to HM Revenue & Customs, Counter-Avoidance, S0694, Newcastle NE98 1ZZ;

- 12.3.2. by post to such other address as the Commissioners may provide for the purpose;
- 12.3.3. by email to ca.loancharge@hmrc.gov.uk; or
- 12.3.4. by such other method as the Commissioners may specify.
- 12.4. Where an application is made by applicants jointly, any written notice to be sent to the Commissioners under this Scheme must be sent by each of the applicants or by all of the applicants jointly.
- 12.5. Anything to be sent to an applicant under or in connection with this Scheme will be effective if it is sent to the applicant's postal address or email address if and as stated on the application form or, where the applicant has subsequently sent a written notice to the Commissioners stating an additional or alternative postal or email address, to that additional or alternative address.

Amendments to this Scheme

- 12.6. Amendments to this Scheme under paragraph 2.2 will take effect on the date the amended Scheme is published.

Liability

- 12.7. Irrespective of any repayment or waiver under this Scheme, the Commissioners do not accept liability for any costs or losses howsoever incurred by an applicant directly or indirectly related to a settlement agreement or an application.

9 November 2020