



HM Treasury

Information Rights Unit
HM Treasury
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Mr Richard Ralph

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Via email: request-494833-
71c8fe68@whatdotheyknow.com

09 July 2018

Ref: FOI2018/11682

Dear Mr Ralph

Freedom of Information Act 2000: 2019 Loan Charge

Thank you for your enquiry of 29 June 2018, which we have considered under the terms of the Freedom of Information Act 2000 (the FOI Act).

You asked for the following information:

1) Please provide a breakdown of the additional revenue estimate by year from the introduction of the 2019 Loan Charge by amounts expected from a) employers and b) individuals.

If time permits within the constraints of the FOI Cost Limit, please also provide any or all of the following information.*:

2) Details of the amount of tax expected or assumed to be written off due to insolvencies broken down by a) employers, b) individuals

3) Other positive or negative revenue impacts forecast or assumed due to insolvencies. For example, but not restricted to, loss of future tax revenue due to inability to work in specialist field, loss of security clearance.

4) Other positive or negative revenue impacts forecast or assumed due to mental health consequences. For example, but not restricted to, inability to work due to depression.

5) Forecast or assumed additional government expenditure in future years due to additional insolvencies. For example, but not restricted to, JSA, Housing Benefit, Working Tax Credits, Universal Credit, ESA, SMI, Care and Support.

6) Forecast or assumed additional government expenditure in future years due to impact on mental health. For example, but not restricted to, PIP, ESA.

I note that you have asked us to work up to the FOI cost limit and answer as many questions as possible within that limit. However, the FOI Act does not require us to work up to the cost limit and our response is in respect of your entire request.

I am unable to confirm whether HM Treasury holds information within the scope of your request. This is because the Treasury does not collate information in a way that could be used to easily identify possible information within the scope of your request.

To establish whether we hold any of the information requested would require extensive searches of our records on disguised remuneration. This is because the 2019 Loan Charge is part of a package of changes to tackle self-employed disguised remuneration avoidance schemes and company deductions for disguised remuneration schemes which were announced at Autumn Statement 2016.

We estimate that to search for and locate any requested information held would exceed the appropriate limit. The appropriate limit for central Government is set at £600. In this case, this represents the estimated cost of one person spending three and a half working days determining whether the department holds the information.

Under section 12 of the FOI Act, departments are not obliged to comply with requests in these circumstances. It is difficult for us to suggest how you could narrow your request as, even if you were to limit your request to any one of the individual questions above, we would still need to review the same extensive set of records. However, if you wish to submit a revised request, we would be happy to consider it.

The following published Tax information and impact notes (TIINs) provide some useful background on the anticipated impacts of the package of changes and can be found on GOV.UK:

<https://www.gov.uk/government/publications/tackling-disguised-remuneration-update/tackling-disguised-remuneration-update>

<https://www.gov.uk/government/publications/disguised-remuneration-further-update>

You may wish to direct your enquiries to HM Revenue and Customs to see if they hold any of the information you are seeking. Their contact details can be found at the bottom of the page at the link below:

<https://www.gov.uk/government/organisations/hm-revenue-customs>

If you have any queries about this letter, please contact us. Please quote the reference number above in any future communications.

Yours sincerely

Information Rights Unit

Your right to complain under the Freedom of Information Act 2000

If you are not happy with this reply, you can request a review by writing to HM Treasury, Information Rights Unit, 1 Horse Guards Road, London SW1A 2HQ or by emailing us at the address below. Any review request must be made within 2 months of the date of this letter.

Email: foirequests@hmtreasury.gov.uk

It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome of the review, you may apply directly to the Information Commissioner for a decision. Generally, the Commissioner will not make a decision unless you have exhausted the complaints procedure provided by HM Treasury which is outlined above.

The Information Commissioner can be contacted at: The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF (or via their website at: <https://ico.org.uk>).

