



HM Revenue
& Customs

Mr Winston Carling
By email: request-539221-8867e02d@whatdotheyknow.com

**Counter-Avoidance
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Date: 15 January 2019
Our ref: FOI2018/02745

Dear Mr Carling

Freedom of Information Act 2000 (FOIA)

Thank you for your request, which was received on 12 December 2018, for the following information:

"When answering question 231 on the Loan Charge by the Treasury Committee on 21 November 2018, Jon Thompson referred to a legitimacy of loan from the Cayman Islands. The session can be found at <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/treasury-committee/hm-revenue-and-customs-annual-report-and-accounts/oral/92710.html>

Do any individuals have a loan (legitimate or otherwise) from the Cayman Islands which will be caught by the Loan Charge?"

Disguised Remuneration (DR) schemes are artificial tax avoidance schemes where earnings are paid in the form of non-repayable loans, often made by an offshore third party. The loan charge ensures DR tax avoidance scheme users pay their fair share by taxing loans from these schemes that remain outstanding on 5 April 2019.

Some individuals have had a DR loan originating from an arrangement made in the Cayman Islands and will be affected by the 2019 loan charge.

Outside of the act, you might like to be aware of this request for information about the 2019 loan charge and the number of individuals who have loans originating in the Cayman Islands:

https://www.whatdotheyknow.com/request/how_many_individuals_in_the_caym#outgoing-846527

If you are not satisfied with this reply you may request a review within two months by emailing foi.review@hmrc.gsi.gov.uk, or by writing to the address at the top right-hand side of this letter.

If you are not content with the outcome of an internal review you can [complain to the Information Commissioner's Office](#)

Yours sincerely,
Freedom of Information Team

Information is available in large print, audio and Braille formats.
Text Relay service prefix number – 18001

