



# HM Revenue & Customs

Mr Colin Wight

By email:

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Date: 14 June 2018  
Our ref: FOI2018/01109

Dear Mr Wight

## Freedom of Information Act 2000 (FOIA)

Thank you for your request, which was received on 29 May, for the following information:

"In the Policy Paper: Tackling disguised remuneration - update (headed HM Revenue & Customs) found here: <https://www.gov.uk/government/publications/tackling-disguised-remuneration-update/tackling-disguised-remuneration-update> it is stated that "The government anticipates that some of these individuals will become insolvent as a result." in the Impact on individuals, households and families section.

Please tell me:

- i) How many individuals were anticipated to become insolvent (from information at the time of writing the Policy Paper)
- ii) How many individuals are now expected to become insolvent (using up to date information)

In the same document is is stated "This measure is expected to affect up to 40,000 individuals"

Please tell me:

- iii) How many individuals are expected to be affected by the measures introduced following the Policy Paper (Using up to date information)
- iv) How many of the individuals affected will have be impacted by a breakdown of their family (using up to date information)"

In response to part iii), I can confirm that we hold an estimate of the number of individuals expected to be affected by the disguised remuneration (DR) 2019 loan charge. It is expected to affect up to 50,000 individuals. Further information can be found here: <https://www.gov.uk/government/publications/disguised-remuneration-further-update/disguised-remuneration-further-update>

In response to parts i), ii) and iv), following a review of the records we hold, I have established that HMRC does not hold the information you requested.

No estimate of the number of insolvencies was produced at the time the policy paper was written. The policy paper contains an estimate of the Exchequer impact which includes an

inbuilt assumption to estimate the value of tax receipts lost to insolvencies. This is not given on an individual level.

No further estimates of the number of individuals expected to become insolvent have been produced.

The policy paper says that the measure “is not expected to have a material impact on family formation, stability or breakdown”. No estimate of the number of individuals affected by a breakdown of their family was produced. The policy paper assesses the impact of the loan charge across the entire UK population, of which affected DR tax avoidance scheme users make up a very small minority.

If you are not satisfied with this reply you may request a review within two months by emailing [foi.review@hmrc.gsi.gov.uk](mailto: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. The following link explains how to do this:  
<https://ico.org.uk/concerns/>

Yours sincerely,

Individuals Policy Directorate