

HIGH COURT STRIKES OUT CLAIM AGAINST BANKS IN THEIR CAPACITY AS LENDERS TO INVESTORS OF A TAX DEFERRAL SCHEME

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Legal Briefings - By **Julian Copeman, Ceri Morgan, Kevin Kilgour and Michael Hunt**

The High Court has struck out claims brought by former investors in the *Ingenious Media* tax deferral schemes against lending banks who advanced sums to the investors for the purpose of investing in the scheme: [Mr Anthony Barness & Ors v Ingenious Media Limited & Ors \[2019\] EWHC 3299 \(Ch\)](#).

In the context of the current wave of tax deferral scheme litigation (including in respect of the film financing schemes *Samarkand*, *Proteus*, *Imagine* and *Timeless Releasing*), the interlocutory decision in *Barness* provides reassurance to banks which acted as lenders to the investors in those schemes. This is particularly welcome in circumstances where investors are increasingly pursuing claims against such lenders where the independent financial advisers and promoters who provided advice to investors directly have either collapsed or do not have sufficiently deep pockets.

The most important aspects of the case which are likely to be of relevance to similar claims, and more generally to financial institutions selling products on an execution-only basis, are discussed in our [banking litigation blog post](#).

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