



Insolvency Practitioner appointments

HMRC are occasionally contacted by Insolvency Practitioners (IPs) or their agents seeking appointment in insolvency cases where there are no tax compliance issues or active HMRC investigations. HMRC will only consider requests for nomination in these cases where it can be shown that the appointment of an IP will lead to an increased return to creditors.

Following the introduction of the Insolvency Proceedings (Fees) Order 2016, fees are now charged by the Official Receiver on all cases. Any IP seeking HMRC support for their appointment will need to demonstrate that their appointment will lead to an increased return to HMRC as a creditor after these fees and their own fees and expenses have been considered.

Any requests for nomination as Trustee or Liquidator in 'non-compliance cases' should be sent to ipnominationrequests@hmrc.gov.uk.

You should include the following statutory information:

- Name of company or individual
- Company Registration Number (CRN) or any known tax references
- Date of insolvency
- Name and license number of the IP(s) seeking nomination
- Details of the potential recoveries
- A clear explanation as to the benefit to creditors of the appointment
- A forecast of the anticipated increased return.

This explanation should be case specific, and where possible supported by evidence. In addition, the case should have been discussed with the Official Receiver and their consent to being replaced obtained. Requests for fee approval following any successful appointment will be reviewed on a case by case basis, and support for appointment does not guarantee HMRC approval of fee requests.

HMRC will also continue to review nomination requests where third party evidence or information suggests that a tax or insolvency compliance intervention may be warranted. Such cases should also continue to be sent to ipnominationrequests@hmrc.gov.uk.

However, if a referral relates to suspected fraud or organised criminality then the matter should be referred to HMRC's fraud investigation specialists at FIcivilrecovery.external@hmrc.gsi.gov.uk.

Where debts in an insolvency have arisen through the use of marketed avoidance then referrals should be sent to ca.counteravoidanceinsolvencyexternal@hmrc.gsi.gov.uk.

If you have any questions about the content of this bulletin, please raise them with R3 or your representative body who will contact HMRC to take forward.