

FINANCE ACT 2009

EXPLANATORY NOTES

INTRODUCTION

Section 97 and Schedule 49: Powers to Obtain Contact Details for Debtors

Background Note

10. HMRC makes every effort to ensure that the address information it holds is accurate and up-to-date. It uses a range of techniques to trace tax debtors who go missing, including the extensive use of commercial databases. However, there remain some who cannot be traced and in 2007 the Department wrote off £300 million for this reason.
11. This section and Schedule allow HMRC to require relevant third parties to disclose address and contact details of missing debtors, where those details are reasonably required to collect what is owed. Relevant third parties are those who HMRC has reason to believe have more recent contact details than it holds. They are explicitly restricted to companies, local authorities and local authority associations and those who HMRC reasonably believes to have, or have had, a business relationship with the debtor.
12. This measure was the subject of initial consultation in June 2007 and further consultation in December 2008 (*Payments, Repayments and Debt: the Next Stage*). Draft legislation was published for consultation in January 2009, and a response document together with a final Impact Assessment was published in April 2009.