HMRC - IPT07930 - Administering The Scheme

Once the insurer joins the scheme, it is their responsibility to make the refund. HMRC’s only responsibility is to ensure that the insurer has complied with the terms of the undertaking. Under no circumstances should HMRC make any repayments to the insurer’s consumers.

The scheme does not allow the insurer to retain some of the refund to cover its costs, as this would defeat the scheme’s purpose. If an administration fee has been charged, this can be recovered by assessment action.

Debts on file

A refund paid into an insurer’s account for the purposes of the scheme cannot be used to offset any debt on file. This is because the money refunded should be allocated and passed to the insurer’s customers, and not the insurer.

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