



16 October 2024

[REDACTED]
[REDACTED]

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 18 September 2024. You requested the following:

... I'd like this data going back as many years as possible. Is 2000 too far? I have some numbers from MBIE back til then it'd be good to match to....

- 1. How much money is IRD owed as a creditor on liquidations each year?*
- 2. How much does it recover?*
- 3. How much does it not? (I can probably handle the maths on this one if you'd rather not...)*
- 4. How many liquidations per year is it a creditor on?*
- 5. Can any of the above be broken down by region as well as year? (asking cos MBIE gave me regional numbers, no biggie if not...)*
- 6. Can it be broken down by business category?*
- 7. How many applications for liquidation does IRD make to the court each year? How many of those are granted?*

Information being released

For Questions 1-4, Inland Revenue is unable to provide data for the period requested (2000-current).

In the response to Questions 5-7, regarding liquidation proceedings filed by the Commissioner of Inland Revenue, due to the change of Inland Revenue's systems, information prior to the 2018 financial year is not in a retrievable format. Therefore, your request for this information is refused under section 18(g) of the OIA, as the information is not held by Inland Revenue, and we do not believe it is held by another agency.

Question 1

Inland Revenue's systems record existing liquidation debt but is unable to filter finalised liquidations that have been paid or written off by period. Therefore, your request for how much money Inland Revenue is owed as a creditor on liquidations each year is refused under section 18(g) of the OIA, as the information is not held by Inland Revenue, and we do not believe it is held by another agency. However, the total figure of debt owed by companies in liquidation as of 15 October 2024 is \$1.305 billion.

Question 2 and 3

Tax debt recoveries from companies in liquidation are not tracked as a whole.

The Official Assignee, who is part of the Ministry of Business, Innovation and Employment's (MBIE) Insolvency and Trustee Service, records the value of debt and dividends paid to Inland Revenue on cases where the Commissioner is the liquidation applicant. Records for debt and dividends from 1 January 2020 to 20 September 2024 are attached as **Appendix A**.

Inland Revenue wrote off \$194m of tax debt due to liquidation in 1,054 cases in the 2023/24 financial year. Please note, these capture the date of the write-off, not the date the company went into liquidation.

Question 4

In the 2023/24 financial year, Inland Revenue filed 1,995 proofs of debt. A proof of debt can comprise of liquidations, voluntary administrations or receiverships. The New Zealand Companies Office's (NZCO) statistics show a combined total of 181 administrations and receiverships. Inland Revenue is unable to filter this data to liquidations only. Inland Revenue may not have been a creditor in all administration and receivership cases.

More information from NZCO can be found at companiesoffice.govt.nz/insights-and-articles/latest-company-statistics/.

Question 5, 6, and 7

Your request for the above information broken down by region and business category is refused under section 18(g) of the OIA, as the information is not held by Inland Revenue, and we do not believe it is held by another agency. However, the liquidation proceedings filed by the Commissioner of Inland Revenue can be broken down by region.

The table below details the total number of liquidation proceedings filed by the Commissioner of Inland Revenue for the specified financial years, in addition to the number of Liquidation Orders granted pursuant to the Commissioner's application. Liquidation proceedings may reach resolution, or payment may be made before a Liquidation Order is granted.

Table 1: Total number of liquidation proceedings

Year	2018	2019	2020	2021	2022	2023	2024	2025*
Total	689	537	287	434	357	764	564	296
Granted	297	382	179	155	179	356	345	42

*The 2025 year is in progress, data reported covers the period 1 July 2024 through to 30 September 2024.

The table below displays the regional breakdown of the number of liquidation proceedings filed by the Commissioner of Inland Revenue. Region is determined by the High Court in which the application was filed.

Table 2: Number of liquidation proceedings

Regional breakdown	2018	2019	2020	2021	2022	2023	2024	2025*
Auckland	336	240	127	213	130	357	328	130
Blenheim	5	3	3	4	2	7	1	0
Christchurch	103	79	45	44	63	84	52	24
Dunedin	12	3	1	9	8	30	5	2
Gisborne	3	7	2	2	3	3	4	5
Greymouth	2	2	2	3	0	4	1	0
Hamilton	39	37	17	32	19	51	24	21
Invercargill	11	10	6	10	11	20	13	7
Masterton	4	1	0	1	1	2	1	1
Napier	11	12	11	14	10	7	11	13
Nelson	10	7	6	4	5	12	3	4
New Plymouth	17	10	3	3	12	16	12	4
Palmerston North	18	9	6	13	16	10	17	11
Rotorua	28	23	13	8	15	25	15	13
Tauranga	28	25	11	27	22	45	30	24
Timaru	8	8	6	8	2	12	6	5
Wellington	48	49	20	27	29	60	33	20
Whanganui	5	1	1	3	2	8	1	5
Whangarei	1	11	7	9	7	11	7	7
Total	689	537	287	434	357	764	564	296

*The 2025 year is in progress, data reported covers the period 1 July 2024 through to 30 September 2024.

Right of review

If you disagree with my decision on your OIA request, you can ask an Inland Revenue review officer to review my decision. To ask for an internal review, please email the Commissioner of Inland Revenue at: commissionerscorrespondence@ird.govt.nz.

Alternatively, under section 28(3) of the OIA, you have the right to ask the Ombudsman to investigate and review my decision. You can contact the office of the Ombudsman by email at: info@ombudsman.parliament.nz.

If you choose to have an internal review, you can still ask the Ombudsman for a review.

Publishing of OIA response

We intend to publish our response to your request on Inland Revenue's website (ird.govt.nz) as this information may be of interest to other members of the public. This letter, with your personal details removed, may be published in its entirety. Publishing responses increases the availability of information to the public and is consistent with the OIA's purpose of enabling more effective participation in the making and administration of laws and policies and promoting the accountability of officials.

Thank you again for your request.

Yours sincerely



Matt Evans

Domain Lead, Legal Services

Appendix A: Value of debt and dividends paid to Inland Revenue where the Commissioner is the liquidation applicant by calendar year (1 January- 31 December)

	2020	2021	2022	2023	2024 (1 January to 20 Sep 2024)	Total
IRD Applicant	17	88	151	269	254	779
IRD Creditor	35	102	169	299	294	899
IRD Debt	\$6,437,954.09	\$22,343,349.05	\$43,310,986.04	\$106,015,303.12	\$102,473,089.52	\$280,580,681.82