

11-year ban for payroll boss in tax avoidance scheme

Scott Ian Rooney (40), of Leicester, was appointed sole director of Magnetic Push Limited in February 2017.

The company provided payroll services, trading from a serviced office in Liverpool, and was previously known as The Knowledgeshares Limited and My PSU Subcontractors Limited.

Magnetic Push Limited operated for just 11 months before it went into liquidation and was voluntarily wound up.

The liquidator, however, reported to the Insolvency Service that Scott Rooney refused to co-operate and failed to deliver up the company's books and records.

Scott Rooney's lack of co-operation and further information provided by the tax authorities that the company was part of a tax avoidance scheme triggered an investigation by the Insolvency Service.

The investigation found that Magnetic Push was playing an active role as an umbrella company in a wider tax avoidance scheme.

Scott Rooney declared a VAT liability of just £609 but the tax authorities claimed more than £4 million from Magnetic Push in the liquidation. The company also failed to declare PAYE and National Insurance contributions.

The absence of books and records meant investigators could not establish genuine company expenses from almost £37 million that had left the company account between February and December 2017 nor the reasons behind the company's failure.

On 1 March 2021, at the High Court in front of Judge Jones, Scott Rooney was disqualified as a company director for 11 years.

Judge Jones increased Scott Rooney's ban to 11 years after he ruled a longer ban was appropriate due to the seriousness of failing to keep records in the context of the large sums the company dealt with, almost £37m in 11 months coupled with Scott Rooney's lack of co-operation.

Scott Rooney's ban started on 22 March and means that he is banned from directly or indirectly becoming involved, without the permission of the court, in the promotion, formation or management of a company.

Martyn Pettitt, Deputy Head of Insolvent Investigations at the Insolvency Service, said:

Scott Rooney's significant ban shows how important it is for

company directors to keep adequate books and records, and the measures that can be taken if they do not take this responsibility seriously.

Directors like Scott Rooney cannot avoid scrutiny or sanctions when operating within a tax avoidance scheme by placing their company into insolvency and failing to co-operate and we will not hesitate to seek a ban where it is appropriate to do so.

Scott Ian Rooney is from Leicester and his date of birth is April 1981.

Magnetic Push Limited (Company Reg no. 10606473).

Disqualification undertakings are the administrative equivalent of a disqualification order but do not involve court proceedings.

Persons subject to a disqualification order are bound by a [range of other restrictions](#).

Further information about the work of the Insolvency Service, and how to complain about financial misconduct, is [available](#).

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