

*Draft Order laid before Parliament under section 74(2) of the Immigration Act 2014, for approval
by resolution of each House of Parliament.*

DRAFT STATUTORY INSTRUMENTS

2014 No.

**FINANCIAL SERVICES AND MARKETS
IMMIGRATION**

**The Immigration Act 2014 (Bank Accounts) (Prohibition on
Opening Current Accounts for Disqualified Persons) Order 2014**

*Made - - - - [date]
Coming into force - - 12th December 2014*

The Treasury, in exercise of the powers conferred by sections 40(7) of the Immigration Act 2014⁽¹⁾, make the following Order.

In accordance with section 74(2) of that Act, a draft of this instrument was laid before Parliament and approved by a resolution of each House of Parliament.

Citation and commencement

1. This Order may be cited as the Immigration Act 2014 (Bank Accounts) (Prohibition on Opening Current Accounts for Disqualified Persons) Order 2014 and comes into force on 12th December 2014.

Prohibition on opening current accounts for disqualified persons

2. The prohibition in section 40(1) of the Immigration Act 2014 does not apply in the case of an account to be operated (or an account that is operated) by or for a person or body other than—

- (a) a charity;
- (b) a consumer; or
- (c) a micro-enterprise.

3. In article 2 of this Order—

- (a) “charity” means a body whose annual income is less than £1 million and is any of the following—

(1) 2014 c.22 . Section 40 was amended by S.I. 2014/[X].

Draft Legislation: This is a draft item of legislation. This draft has since been made as
a UK Statutory Instrument: *The Immigration Act 2014 (Bank Accounts) (Prohibition
on Opening Current Accounts for Disqualified Persons) Order 2014 No. 3086*

- (i) in England and Wales, a charity as defined by section 1(1) of the Charities Act 2011⁽²⁾;
 - (ii) in Scotland, a charity as defined by section 106 of the Charities and Trustee Investment (Scotland) Act 2005⁽³⁾;
 - (iii) in Northern Ireland, a charity as defined by section 1(1) of the Charities Act (Northern Ireland) 2008⁽⁴⁾;
- (b) “consumer” means an individual who, with respect to an account to be or being operated by or for them, is acting for purposes other than a trade, business or profession;
 - (c) “micro-enterprise” means an enterprise as defined in Article 1 and Article 2(1) and (3) of the Annex to Commission Recommendation 2003/361/EC of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises⁽⁵⁾.

Date

Name
Name
Two of the Lords Commissioners of Her
Majesty’s Treasury

(2) 2011 c.25.
(3) 2005 asp 10.
(4) 2008 c.12.
(5) OJ No L 124, 20.5.2003, p36.

EXPLANATORY NOTE

(This note is not part of the Order)

Section 40(1) (Prohibition on opening current account for disqualified persons) of the Immigration Act 2014 (c. 22) (the “Act”) prohibits banks and building societies from opening current accounts for “disqualified persons”. A person is “disqualified” for the purposes of section 40, per subsections 40(2) and 40(3)(b), (a) if he or she is in the UK, (b) if he or she requires leave to enter or remain in the UK but does not have such leave, and (c) if he or she is a person for whom the Secretary of State considers that a current account should not be opened by a bank or building society.

The prohibition at section 40(1) of the Act includes opening an account in relation to which a disqualified person is a signatory or is identified as a beneficiary, as well as adding a disqualified person as an account holder or as a signatory or identified beneficiary in relation to an account.

This Order provides that the prohibition in section 40(1) will not apply in the case of an account to be operated (or an account that is operated) by or for a person or body who is not a charity, a consumer or a micro-enterprise.

A full impact assessment of the effect that this Order will have on the costs of business and the voluntary sector is available from Her Majesty’s Treasury, 1 Horse Guards Road, London SW1A 2HQ or on www.gov.uk and is published alongside the Order on www.legislation.gov.uk.