

United Kingdom Internal Market Act 2020

2020 CHAPTER 27

PART 2

UK MARKET ACCESS: SERVICES

17 Services: overview

- (1) This Part governs the regulation of service providers in the United Kingdom.
- (2) It makes provision that limits the application and effect of authorisation requirements and regulatory requirements.
- (3) An authorisation requirement is a legislative requirement that a service provider must have the permission of a regulator before carrying on a business of providing particular services.
- (4) A regulatory requirement is a legislative requirement that would if not satisfied (whether at a particular point or on a continuing basis) prevent a service provider from carrying on a business of providing particular services.
- (5) The following are neither authorisation requirements nor regulatory requirements for the purposes of this Part—
 - (a) relevant requirements as defined for the purposes of the mutual recognition principle for goods (see section 3);
 - (b) provision of the sort described in section 24(1) or 28(1) (professional qualifications and regulation) to the extent it has the effect described there;
 - (c) a requirement that—
 - (i) is in force, or otherwise has effect, on the day before the day on which this section comes into force and has not been substantively changed after that day, or
 - (ii) comes into force, or otherwise takes effect, on or after the day on which this section comes into force if it re-enacts or replicates (without substantive change) a legislative requirement in force or having effect immediately before that day;

- (d) a requirement that applies to a service provider, but which also applies to persons who do not provide services (for example, a requirement imposing duties on employers);
- (e) a requirement to notify, or register with, a regulator;
- (f) a requirement to provide evidence of being authorised to provide services in a part of the United Kingdom other than the part in which the requirement applies.
- (6) Subsection (5)(c) does not exclude (and, accordingly, references to authorisation requirements do include) an authorisation requirement that applies in a part of the United Kingdom if, after the relevant day, a corresponding authorisation requirement in another part of the United Kingdom is substantively changed.
- (7) For the purposes of subsection (6)—
 - (a) an authorisation requirement corresponds to another authorisation requirement if it relates to the same, or substantially the same, services;
 - (b) the "relevant day" is the day before the day on which this section comes into force.
- (8) For the purposes of this section, an authorisation requirement is substantively changed if a legislative requirement that would, if not satisfied, prevent a service provider from satisfying the authorisation requirement is substantively changed.
- (9) In this Part—

"service provider" means a person-

- (a) that provides, or intends to provide, services in the course of the person's business, and
- (b) that has a permanent establishment in the United Kingdom through which that business is wholly or partly carried on;

"permanent establishment"-

- (a) in relation to a company, is to be read in accordance with Chapter 2 of Part 24 of the Corporation Tax Act 2010, and
- (b) in relation to any other person, is to be read in accordance with that Chapter but as if references in that Chapter to a company were references to that person.