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**Changes to legislation:** There are currently no known outstanding effects for the Economic Crime (Transparency and Enforcement) Act 2022, PART 2. (See end of Document for details)

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## SCHEDULES

### SCHEDULE 2

#### REGISTRABLE BENEFICIAL OWNERS

#### PART 2

#### MEANING OF “BENEFICIAL OWNER”

##### *Introduction*

5 This Part defines “beneficial owner” for the purposes of this Part of this Act.

##### **Commencement Information**

- I1** Sch. 2 para. 5 not in force at Royal Assent, see [s. 69](#)
- I2** [Sch. 2 para. 5](#) in force at 1.8.2022 (except in so far as relating to ss. 7–11 of the Act) by [S.I. 2022/876](#), [reg. 3\(b\)](#)
- I3** [Sch. 2 para. 5](#) in force in so far as not already in force at 12.10.2022 by [S.I. 2022/1039](#), [reg. 2\(b\)](#)

##### *Beneficial owners*

6 A person (“X”) is a “beneficial owner” of an overseas entity or other legal entity (“Y”) if one or more of the following conditions are met.

##### *Ownership of shares*

Condition 1 is that X holds, directly or indirectly, more than 25% of the shares in Y.

##### *Voting rights*

Condition 2 is that X holds, directly or indirectly, more than 25% of the voting rights in Y.

##### *Right to appoint or remove directors*

Condition 3 is that X holds the right, directly or indirectly, to appoint or remove a majority of the board of directors of Y.

##### *Significant influence or control*

Condition 4 is that X has the right to exercise, or actually exercises, significant influence or control over Y.

##### *Trusts, partnerships, etc*

Condition 5 is that—

- (a) the trustees of a trust, or the members of a partnership, unincorporated association or other entity, that is not a legal person under the law by which it is governed meet any of the conditions specified above (in their capacity as such) in relation to Y, and

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- (b) X has the right to exercise, or actually exercises, significant influence or control over the activities of that trust or entity.

#### Commencement Information

- I4** Sch. 2 para. 6 not in force at Royal Assent, see [s. 69](#)  
**I5** Sch. 2 para. 6 in force at 1.8.2022 (except in so far as relating to ss. 7–11 of the Act) by [S.I. 2022/876](#), [reg. 3\(b\)](#)  
**I6** Sch. 2 para. 6 in force in so far as not already in force at 12.10.2022 by [S.I. 2022/1039](#), [reg. 2\(b\)](#)

#### *Persons treated as beneficial owners where entity holds land as nominee*

- [<sup>F1</sup>6A] A person (“X”) is to be treated as a beneficial owner of an overseas entity (“Y”) if one or more of the following conditions are met.

*Y holds land in England or Wales as nominee for X*

Condition 1 is that Y—

- (a) is registered in the register of title kept under the Land Registration Act 2002 as the proprietor of a qualifying estate within the meaning of Schedule 4A to that Act,
- (b) became so registered in pursuance of an application made on or after 1 January 1999, and
- (c) holds the qualifying estate as nominee for—
  - (i) X, or
  - (ii) an entity of which X is a beneficial owner by virtue of paragraph 6.

*Y holds land in Scotland as nominee for X*

Condition 2 is that—

- (a) Y—
  - (i) holds an interest in land by virtue of being entered, on or after 8 December 2014, as proprietor in the proprietorship section of the title sheet for a plot of land that is registered in the Land Register of Scotland,
  - (ii) is, in relation to a lease that was recorded in the General Register of Sasines or registered in the Land Register of Scotland before that date, by virtue of an assignation of the lease registered in the Land Register of Scotland on or after that date, the tenant under the lease, or
  - (iii) is the tenant under a lease that was registered in the Land Register of Scotland on or after that date, and
- (b) Y holds the interest in land referred to in paragraph (a)(i), (ii) or (iii) as nominee for—
  - (i) X, or
  - (ii) an entity of which X is a beneficial owner by virtue of paragraph 6.

*Y holds land in Northern Ireland as nominee for X*

Condition 3 is that Y—

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- (a) is registered in the register kept under the [and Registration Act \(Northern Ireland\) 1970 \(c. 18 \(N.I.\)\)](#) as the owner of a qualifying estate within the meaning of Schedule 8A to that Act,
- (b) became so registered on or after the day on which that Schedule came into force, and
- (c) holds the qualifying estate as nominee for—
  - (i) X, or
  - (ii) an entity of which X is a beneficial owner by virtue of paragraph 6.]

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**Textual Amendments**

- F1** [Sch. 2 para. 6A](#) and cross-heading inserted (26.10.2023 for specified purposes) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), [ss. 162\(3\)\(d\)](#), [219\(1\)\(2\)\(b\)](#)

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