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STATUTORY INSTRUMENTS

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**2017 No. 692**

**The Money Laundering, Terrorist Financing and Transfer  
of Funds (Information on the Payer) Regulations 2017**

**PART 5**

**Beneficial Ownership Information**

**Application of this Part**

- 42.**—(1) This Part applies to UK bodies corporate and relevant trusts.
- (2) For the purposes of this Part—
- (a) a “UK body corporate” is a body corporate which is incorporated under the law of the United Kingdom or any part of the United Kingdom, and includes an eligible Scottish partnership;
  - (b) a “relevant trust” is—
    - (i) a UK trust which is an express trust; or
    - (ii) a non-UK trust which is an express trust; and
      - (aa) receives income from a source in the United Kingdom; or
      - (bb) has assets in the United Kingdom,on which it is liable to pay one or more of the taxes referred to in regulation 45(14);
  - (c) a trust is a “UK trust” if—
    - (i) all the trustees are resident in the United Kingdom; or
    - (ii) sub-paragraph (d) applies;
  - (d) this sub-paragraph applies if—
    - (i) at least one trustee is resident in the United Kingdom, and
    - (ii) the settlor was resident and domiciled in the United Kingdom at the time when—
      - (aa) the trust was set up, or
      - (bb) the settlor added funds to the trust;
  - (e) a trust is a “non-UK trust” if it is not a UK trust;
  - (f) a “collective investment scheme” has the meaning given in regulation 12H of the International Tax Compliance Regulations 2015<sup>M1</sup>.
- (3) A trustee or settlor is resident in the United Kingdom—
- (a) in the case of a body corporate, if it is a UK body corporate;
  - (b) in the case of an individual, if the individual is resident in the United Kingdom for the purposes of one or more of the taxes referred to in regulation 45(14).

**Marginal Citations**

**M1** [S.I. 2015/878](#). Regulation 12H was inserted by [S.I. 2017/598](#).

**Corporate bodies: obligations**

**43.**—(1) When a UK body corporate which is not listed on a regulated market enters into a relevant transaction with a relevant person, or forms a business relationship with a relevant person, the body corporate must on request from the relevant person provide the relevant person with—

- (a) information identifying—
  - (i) its name, registered number, registered office and principal place of business;
  - (ii) its board of directors, or if there is no board, the members of the equivalent management body;
  - (iii) the senior persons responsible for its operations;
  - (iv) the law to which it is subject;
  - (v) its legal owners;
  - (vi) its beneficial owners; and
- (b) its articles of association or other governing documents.

(2) For the purposes of paragraph (1)(a)(v) and (vi), references to the legal owners and beneficial owners of a UK body corporate include a reference to the legal owners and beneficial owners of any body corporate or trust which is directly or indirectly a legal owner or beneficial owner of that body corporate.

(3) Paragraph (1)(a)(vi) does not apply if no person qualifies as a beneficial owner (within the meaning of regulation 5(1)) of—

- (a) the UK body corporate; or
- (b) any body corporate which is directly or indirectly the owner of that UK body corporate.

(4) If, during the course of a business relationship, there is any change in the identity of the individuals or information falling within paragraph (1), the UK body corporate referred to in paragraph (1) must notify the relevant person of the change and the date on which it occurred within fourteen days from the date on which the body corporate becomes aware of the change.

(5) The UK body corporate must on request provide all or part of the information referred to in paragraph (1) to a law enforcement authority.

(6) Information requested under paragraph (5), must be provided before the end of such reasonable period as may be specified by the law enforcement authority.

(7) The provision of information in accordance with this regulation is not to be taken to breach any restriction, however imposed, on the disclosure of information.

(8) Where a disclosure is made in good faith in accordance with this regulation no civil liability arises in respect of the disclosure on the part of the UK body corporate.

(9) For the purposes of this regulation, a “relevant transaction” means a transaction in relation to which the relevant person is required to apply customer due diligence measures under regulation 27.

**Trustee obligations**

**44.**—(1) The trustees of a relevant trust must maintain accurate and up-to-date records in writing of all the beneficial owners of the trust, and of any potential beneficiaries referred to in paragraph (5) (b), containing the information required by regulation 45(2)(b) to (d) and (5)(f) and (g).

(2) When a trustee of a relevant trust, acting as trustee, enters into a relevant transaction with a relevant person, or forms a business relationship with a relevant person, the trustee must—

- (a) inform the relevant person that it is acting as trustee; and
- (b) on request from the relevant person, provide the relevant person with information identifying all the beneficial owners of the trust (which, in the case of a class of beneficiaries, may be done by describing the class of persons who are beneficiaries or potential beneficiaries under the trust).

(3) If, during the course of a business relationship, there is any change in the information provided under paragraph (2), the trustees must notify the relevant person of the change and the date on which it occurred within fourteen days from the date on which any one of the trustees became aware of the change.

(4) For the purposes of this regulation, a “relevant transaction” means a transaction in relation to which the relevant person is required to apply customer due diligence measures under regulation 27.

(5) The trustees of a relevant trust must on request provide information to any law enforcement authority—

- (a) about the beneficial owners of the trust; and
- (b) about any other individual referred to as a potential beneficiary in a document from the settlor relating to the trust such as a letter of wishes.

(6) Information requested under paragraph (5) must be provided before the end of such reasonable period as may be specified by the law enforcement authority.

(7) The provision of information in accordance with this regulation is not to be taken to breach any restriction, however imposed, on the disclosure of information.

(8) Where a disclosure is made in good faith in accordance with this regulation no civil liability arises in respect of the disclosure on the part of the trustees of a relevant trust.

(9) If the trustees of a relevant trust are relevant persons who are being paid to act as trustees of that trust, they must—

- (a) retain the records referred to in paragraph (1) for a period of five years after the date on which the final distribution is made under the trust;
- (b) make arrangements for those records to be deleted at the end of that period, unless—
  - (i) the trustees are required to retain them by or under any enactment or for the purpose of court proceedings;
  - (ii) any person to whom information in a record relates consents to the retention of that information; or
  - (iii) the trustees have reasonable grounds for believing that records containing the personal data need to be retained for the purpose of legal proceedings.

(10) For the purposes of this regulation, any of the following authorities is a law enforcement authority—

- (a) the Commissioners;
- (b) the FCA;
- (c) the NCA;
- (d) police forces maintained under section 2 of the Police Act 1996 <sup>M2</sup>;
- (e) the Police of the Metropolis;
- (f) the Police for the City of London;
- (g) the Police Service of Scotland;

*Status: Point in time view as at 22/11/2018.*

*Changes to legislation: There are currently no known outstanding effects for the The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, PART 5. (See end of Document for details)*

- (h) the Police Service of Northern Ireland;
- (i) the Serious Fraud Office.

(11) For the purposes of this regulation, in the case of a relevant trust which is a collective investment scheme, a reference to the trustees of a relevant trust includes a reference to the manager or operator of the collective investment scheme.

#### **Marginal Citations**

**M2** 1996 c.16. Section 2 was amended by paragraphs 3 and 4 of Schedule 16 to the [Police Reform and Social Responsibility Act 2011 \(c.13\)](#).

#### **Register of beneficial ownership**

- 45.**—(1) The Commissioners must maintain a register (“the register”) of—
- (a) beneficial owners of taxable relevant trusts; and
  - (b) potential beneficiaries (referred to in regulation 44(5)(b)) of taxable relevant trusts.
- (2) The trustees of a taxable relevant trust must within the time specified in paragraph (3) provide the Commissioners with—
- (a) the information specified in paragraph (5) in relation to the trust;
  - (b) the information specified in paragraph (6) in relation to each of the individuals referred to in regulation 44(2)(b) and (5)(b) (but if sub-paragraph (d) applies, this information does not need to be provided in relation to the beneficiaries of the trust);
  - (c) the information specified in paragraph (7) in relation to each of the legal entities referred to in regulation 44(2)(b);
  - (d) the information specified in paragraph (8), where the beneficial owners include a class of beneficiaries, not all of whom have been determined.
- (3) The information required under paragraph (2) must be provided on or before—
- (a) 31st January 2018;
  - (b) 31st January after the tax year in which the trustees were first liable to pay any of the taxes referred to in paragraph (14) (“UK taxes”).
- (4) The information required under paragraph (2) must be provided in such form as the Commissioners reasonably require.
- (5) The information specified in this paragraph is—
- (a) the full name of the trust;
  - (b) the date on which the trust was set up;
  - (c) a statement of accounts for the trust, describing the trust assets and identifying the value of each category of the trust assets at the date on which the information is first provided to the Commissioners (including the address of any property held by the trust);
  - (d) the country where the trust is considered to be resident for tax purposes;
  - (e) the place where the trust is administered;
  - (f) a contact address for the trustees;
  - (g) the full name of any advisers who are being paid to provide legal, financial or tax advice to the trustees in relation to the trust.
- (6) The information specified in this paragraph is—

- (a) the individual's full name;
  - (b) the individual's national insurance number or unique taxpayer reference, if any;
  - (c) if the individual does not have a national insurance number or unique taxpayer reference, the individual's usual residential address;
  - (d) if the address provided under sub-paragraph (c) is not in the United Kingdom—
    - (i) the individual's passport number or identification card number, with the country of issue and the expiry date of the passport or identification card; or
    - (ii) if the individual does not have a passport or identification card, the number, country of issue and expiry date of any equivalent form of identification;
  - (e) the individual's date of birth;
  - (f) the nature of the individual's role in relation to the trust.
- (7) The information specified in this paragraph is—
- (a) the legal entity's corporate or firm name;
  - (b) the legal entity's unique taxpayer reference, if any;
  - (c) the registered or principal office of the legal entity;
  - (d) the legal form of the legal entity and the law by which it is governed;
  - (e) if applicable, the name of the register of companies in which the legal entity is entered (including details of the EEA state or third country in which it is registered), and its registration number in that register;
  - (f) the nature of the entity's role in relation to the trust.
- (8) The information specified in this paragraph is a description of the class of persons who are beneficiaries or potential beneficiaries under the trust.
- (9) The trustees of a taxable relevant trust must—
- (a) if a trustee becomes aware that any of the information provided to the Commissioners under paragraph (2) (other than information provided in relation to the value of the trust assets under paragraph (5)(c)) has changed, notify the Commissioners of the change and the date on which it occurred on or before 31st January—
    - (i) after the tax year in which the change occurred; or
    - (ii) if the trustees are not liable to pay any UK taxes in that year, after the tax year in which the trustees are liable to pay any UK taxes; or
  - (b) if the trustees are not aware of any change to any of the information provided under paragraph (2), confirm that fact to the Commissioners on or before 31st January after the tax year in which the trustees are liable to pay any UK taxes.
- (10) The register must contain the information referred to in regulation 44(2)(b) and (5)(b) in relation to taxable relevant trusts.
- (11) The Commissioners may keep the register in any form they think fit.
- (12) The Commissioners must ensure that the information on the register may be inspected by any law enforcement authority.
- (13) The Commissioners must make arrangements to ensure that the NCA are able to use information on the register to respond promptly to a request for information about the persons referred to in regulation 44(2)(b) and (5)(b) made by—
- (a) an authority responsible for functions provided for in the fourth money laundering directive in an EEA state other than the United Kingdom, or
  - (b) a financial intelligence unit of an EEA state other than the United Kingdom.

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(14) For the purposes of this regulation, a taxable relevant trust is a relevant trust in any year in which its trustees are liable to pay any of the following taxes in the United Kingdom in relation to assets or income of the trust—

- (a) income tax;
- (b) capital gains tax;
- (c) inheritance tax;
- (d) stamp duty land tax (within the meaning of section 42 of the Finance Act 2003 <sup>M3</sup>);
- (e) land and buildings transaction tax (within the meaning of section 1 of the Land and Buildings Transaction Tax (Scotland) Act 2013 <sup>M4</sup>);
- [<sup>F1</sup>(ea) land transaction tax (within the meaning of section 2 of the Land Transaction Tax and Anti-avoidance of Devolved Taxes (Wales) Act 2017);]
- (f) stamp duty reserve tax.

(15) For the purpose of this regulation, in the case of a taxable relevant trust which is a collective investment scheme, a reference to the trustees of a taxable relevant trust includes a reference to the manager or operator of the collective investment scheme.

#### Textual Amendments

- F1** Reg. 45(14)(ea) inserted (22.11.2018) by [The Tax Collection and Management \(Wales\) Act 2016 and the Land Transaction Tax and Anti-avoidance of Devolved Taxes \(Wales\) Act 2017 \(Consequential Amendments\) Order 2018 \(S.I. 2018/1237\)](#), arts. 1(2), 5

#### Marginal Citations

- M3** 2003 c.14.  
**M4** 2013 asp 11.

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