
STATUTORY INSTRUMENTS

2020 No. 991

**The Money Laundering and Terrorist Financing
(Amendment) (EU Exit) Regulations 2020**

PART 2

Implementation of EU law

Beneficial ownership information

7.—(1) In regulation 42 (application of Part 5)—

(a) in paragraph (2)—

(i) at the end of sub-paragraph (b)(i), omit “or”;

(ii) after “one or more of the taxes referred to in regulation 45(14);”, insert—

“or

(iii) any other non-UK trust which is an express trust, is not a trust listed in Schedule 3A (excluded trusts) and whose trustees (in their capacity as such)—

(aa) acquire an interest in land in the United Kingdom; or

(bb) enter into a business relationship with a relevant person, where at least one of those trustees is resident in the United Kingdom and the trust is not an EEA registered trust;”;

(b) after paragraph (3), insert—

“(4) For the purposes of this Part, an “EEA registered trust” is a trust whose beneficial ownership information is required, by Article 31.3a of the fourth money laundering directive, to be held in a central register set up by an EEA state other than the United Kingdom.

(5) For the purposes of this Part, the trustees acquire an interest in land in the United Kingdom where at least one of the trustees becomes registered—

(a) in the register of title kept under the Land Registration Act 2002⁽¹⁾ as the proprietor of—

(i) a freehold estate in land; or

(ii) a leasehold estate in land granted for a term of more than 7 years from the date of the grant;

(b) in the Land Register of Scotland as the proprietor or as the tenant under a lease (“lease” and “proprietor” having the meanings given by section 113(1) of the Land Registration etc. (Scotland) Act 2012⁽²⁾); or

(1) 2002 c. 9.

(2) 2012 asp. 5.

- (c) in the register kept under the Land Registration Act (Northern Ireland) 1970⁽³⁾ as the owner of—
 - (i) a freehold estate in land; or
 - (ii) a leasehold estate in land granted for a term of more than 21 years from the date of the grant.
- (6) For the purposes of this Part—
 - (a) the trustees have a controlling interest in a third country entity if they meet any of the specified conditions in paragraphs 2 to 5 of Schedule 1A to the Companies Act 2006 (people with significant control over a company)⁽⁴⁾ where that Schedule is read with the following modifications—
 - (i) references to X having or holding a share in or a right in relation to, or exercising significant influence or control over, company Y are to be read as references to the trustees (in their capacity as such) having or holding a share in or a right in relation to, or exercising significant influence or control over, the third country entity;
 - (ii) for “25%” wherever it occurs in each of paragraphs 2 (ownership of shares), 3 (voting rights), 13 (calculating shareholdings), and 14 (voting rights), read “50%”; and
 - (b) “third country entity” means a body corporate, partnership or other entity that is governed by the law of a country or territory outside the EEA and (in each case) is a legal person under that law.”
- (2) In regulation 45 (register of beneficial ownership)⁽⁵⁾—
 - (a) for paragraph (3) substitute—

“(3) The information required under paragraph (2) must, apart from any information already provided to the Commissioners under regulation 45ZA (at a time when the trust was not a taxable relevant trust), be provided—

 - (a) on or before 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”), in the case of a trust which is set up before 6th April 2021;
 - (b) on or before 10th March 2022, in the case of a trust which is set up after 5th April 2021 where the trustees become liable to pay UK taxes before 9th February 2022;
 - (c) within 30 days of the trustees becoming liable to pay UK taxes, in any other case.”;
 - (b) in paragraph (4), for “paragraph (2)” substitute “paragraphs (2) and (9)”;
 - (c) for paragraph (10) substitute—

“(10) The register must contain the information referred to in—

 - (a) regulation 44(2)(b) and (5)(b), in relation to taxable relevant trusts;
 - (b) regulation 44(2)(b) and (5)(b) and paragraphs (10E) to (10G), in relation to the types of taxable relevant trust mentioned in paragraphs (10A) to (10C);
 - (c) regulation 45ZA(3) and (4), in relation to the types of trust mentioned in regulation 45ZA(1).”;

⁽³⁾ 1970 c. 18 (N.I.).

⁽⁴⁾ 2006 c. 46. Schedule 1A was inserted by Schedule 3 to the Small Business, Enterprise and Employment Act 2015 (c. 26).

⁽⁵⁾ Regulation 45 was amended by S.I. 2018/1237.

(d) after paragraph (10) insert—

“(10A) The trustees of a taxable relevant trust which is a UK trust, and is not an EEA registered trust or a trust listed in Schedule 3A, must provide the Commissioners with the information specified in paragraph (10E), apart from any information already provided to the Commissioners under regulation 45ZA (at a time when the trust was not a taxable relevant trust)—

- (a) on or before 10th March 2022, where the trustees become liable to pay UK taxes before 9th February 2022;
- (b) within 30 days of the trustees becoming liable to pay UK taxes, in any other case.

(10B) This paragraph applies to the trustees of a taxable relevant trust which is a non-UK trust, has at least one trustee resident in the United Kingdom and is not an EEA registered trust or a trust falling within Schedule 3A, where the trustees of that trust, in their capacity as such—

- (a) enter into a business relationship with a relevant person; or
- (b) acquire an interest in land in the United Kingdom.

(10C) This paragraph applies to the trustees of a taxable relevant trust which is a non-UK trust and is not a trust listed in Schedule 3A, where none of the trustees are resident in the United Kingdom and those trustees, in their capacity as such, acquire an interest in land in the United Kingdom.

(10D) Where paragraph (10B) or (10C) applies, the trustees must provide the Commissioners with the information specified in paragraph (10E), apart from any information already provided to the Commissioners under regulation 45ZA (at a time when the trust was not a taxable relevant trust)—

- (a) on or before 10th March 2022, where the trustees become liable to pay UK taxes before 9th February 2022;
- (b) otherwise, within 30 days of the trustees acquiring the land or (where paragraph (10B)(a) applies) entering into the business relationship.

(10E) The trustees must provide the Commissioners with the following information in relation to each of the beneficial owners of the trust who is an individual, and in relation to 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—

- (a) the individual’s country of residence;
- (b) the individual’s nationality;
- (c) the nature and extent of the individual’s beneficial interest,

but if paragraph (10F) applies, this information does not need to be provided in relation to the beneficiaries of the trust.

(10F) Where the beneficial owners include a class of beneficiaries, not all of whom have been determined, the information to be provided under paragraph (10E) is a description of the class of persons who are beneficiaries or potential beneficiaries under the trust.

(10G) The trustees of a trust to which paragraph (10A) or (10B) applies must—

- (a) if they have a controlling interest in a third country entity, provide the Commissioners with the following information, apart from any information already provided under regulation 45ZA(4), at the same time as providing the information under paragraph (10E)—
 - (i) the third country entity’s corporate or firm name;

- (ii) the country or territory by whose law the third country entity is governed;
 - (iii) the registered or principal office of the third country entity;
 - (b) if they acquire an interest in a third country entity after providing the information under paragraph (10E), provide the Commissioners with the information specified in this paragraph within 30 days of the date on which they acquired that interest.
- (10H) The trustees of a taxable relevant trust to which paragraph (10A), (10B) or (10C) applies must, if the trustee becomes aware that any of the information provided to the Commissioners under paragraphs (10E) to (10G) has changed, notify the Commissioners of the change and the date on which it occurred within 30 days of the trustee becoming aware of the change.
- (10I) The information required under paragraphs (10E) to (10H) must be provided in such form as the Commissioners reasonably require.
- (10J) The Commissioners must keep the information referred to in paragraph (10) on the register for at least five years, and no more than 10 years, after the trust to which it relates has ceased to exist or has ceased to be a type of trust referred to in paragraph (10).”;
- (e) in paragraph (13), after “regulation 44(2)(b) and (5)(b)” insert “, paragraphs (10E) to (10G) and regulation 45ZA(3) and (4)”.
- (3) In Part 5, after regulation 45 insert—

“Register of beneficial ownership: additional types of trust

45ZA.—(1) In relation to trusts which are—

- (a) type A trusts, other than taxable relevant trusts;
- (b) type B trusts, other than taxable relevant trusts;
- (c) type C trusts, other than taxable relevant trusts,

the information to be contained in the register maintained under this Part is the information referred to in paragraphs (3) and (4), and in this paragraph, “taxable relevant trust” has the meaning given in regulation 45.

(2) For the purposes of this regulation—

- (a) a “type A trust” is a UK trust which is an express trust and is not an EEA registered trust or a trust listed in Schedule 3A;
- (b) a “type B trust” is a non-UK trust which has at least one trustee resident in the United Kingdom, is an express trust and is not an EEA registered trust or a trust listed in Schedule 3A, where the trustees of that trust, in their capacity as such—
 - (i) enter into a business relationship with a relevant person; or
 - (ii) acquire an interest in land in the United Kingdom;
- (c) a “type C trust” is a non-UK trust which is an express trust and is not a trust listed in Schedule 3A, where none of the trustees are resident in the United Kingdom and those trustees, in their capacity as such, acquire an interest in land in the United Kingdom.

(3) The trustees of a trust to which paragraph (1) applies must, within the time specified in paragraph (5), provide the Commissioners with the following information, apart from any information already provided to the Commissioners under regulation 45 (at a time when the trust was a taxable relevant trust within the meaning of that regulation)—

- (a) the information specified in paragraphs (i) to (v) in relation to each of the beneficial owners of the trust who is an individual, and in relation to 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—
 - (i) the individual’s full name;
 - (ii) the individual’s month and year of birth;
 - (iii) the individual’s country of residence;
 - (iv) the individual’s nationality;
 - (v) the nature and extent of the individual’s beneficial interest,but if sub-paragraph (b) applies, this information does not need to be provided in relation to the beneficiaries of the trust;
 - (b) where the beneficial owners include a class of beneficiaries, not all of whom have been determined, a description of the class of persons who are beneficiaries or potential beneficiaries under the trust;
 - (c) the information specified in paragraphs (i) to (iii) in relation to each of the beneficial owners of the trust who is a legal entity—
 - (i) the legal entity’s corporate or firm name;
 - (ii) the registered or principal office of the legal entity;
 - (iii) the nature of the entity’s role in relation to the trust.
 - (4) The trustees of a trust to which paragraph (1)(a) or (b) applies must—
 - (a) if they have a controlling interest in a third country entity, provide the Commissioners with the following information, apart from any information already provided under regulation 45(10G), at the same time as providing the information under paragraph (3)—
 - (i) the third country entity’s corporate or firm name;
 - (ii) the country or territory by whose law the third country entity is governed;
 - (iii) the registered or principal office of the third country entity;
 - (b) if they acquire an interest in a third country entity after providing the information under paragraph (3), provide the Commissioners with the information specified in this paragraph within 30 days of the date on which they acquired that interest.
 - (5) The information required under paragraph (3) must be provided—
 - (a) on or before 10th March 2022, in the case of a trust which first falls within paragraph (1)(a), (b) or (c) before 9th February 2022;
 - (b) in any other case, within 30 days of the trust being set up, or, if later, within 30 days of the trust first falling within paragraph (1)(a), (b) or (c).
 - (6) If a trustee becomes aware that any of the information provided to the Commissioners under paragraph (3) or (4) has changed, the trustee must notify the Commissioners of the change within 30 days of the trustee becoming aware of the change.
 - (7) The information required under paragraphs (3), (4) and (6) must be provided in such form as the Commissioners reasonably require. ”.
- (4) In Part 5, after regulation 45ZA (as inserted by regulation 7(3)) insert—

“Access to information on the register

45ZB.—(1) The Commissioners must make the accessible information available to a person who demonstrates to the Commissioners a legitimate interest in the beneficial ownership of a trust, where that person so requests.

(2) The Commissioners must make available to a trustee, on a request by that trustee, such information as the trustee reasonably requires in order to enable a relevant person to meet the relevant person’s obligations under Part 3, where that relevant person proposes to—

- (a) form a business relationship with the trust; or
- (b) enter into a transaction with the trust in relation to which the relevant person is required to apply customer due diligence measures under regulation 27.

(3) The Commissioners must make the accessible information available to a person who makes a written request about a type A trust or a type B trust (within the meaning given in regulation 45ZA(2)), where the trustees of that trust have a controlling interest in a third country entity.

(4) The Commissioners may—

- (a) charge a fee to any person making a request for accessible information under paragraph (1) or (3), which must not exceed such amount as the Commissioners consider will enable them to meet any expenses reasonably incurred by them in dealing with such requests, including expenses incurred in maintaining the register;
- (b) require the person to submit the request in such a manner as the Commissioners may reasonably require, including by requiring the person to register in a manner specified by the Commissioners; and
- (c) require the person to provide such information to support the request as the Commissioners may specify.

(5) Paragraphs (1) and (3) do not apply to the accessible information in a case where, and to the extent that, the Commissioners consider that the information should be exempt because—

- (a) the Commissioners consider that making the information available would expose the beneficial owner to a disproportionate risk of fraud, kidnapping, blackmail, extortion, harassment, violence or intimidation;
- (b) the beneficial owner is under the age of 18; or
- (c) the beneficial owner—
 - (i) lacks capacity within the meaning of section 2 of the Mental Capacity Act 2005⁽⁶⁾;
 - (ii) is incapable within the meaning of section 1 of the Adults with Incapacity (Scotland) Act 2000⁽⁷⁾; or
 - (iii) is incapable by reason of mental disorder within the meaning of Article 3(1) of the Mental Health (Northern Ireland) Order 1986⁽⁸⁾,

and in this paragraph, references to the beneficial owner include references to 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) Where the Commissioners decide to exempt any of the accessible information in accordance with paragraph (5), the Commissioners must inform the person requesting the information of the decision, explain that the person is entitled to seek a review, and specify

⁽⁶⁾ 2005 c. 9.

⁽⁷⁾ 2000 asp. 4. Section 1 was amended by S.S.I. 2005/465.

⁽⁸⁾ 1986 No. 595 (N.I. 4).

the period in which the person must inform the Commissioners that the person wishes to seek a review (which must not be less than 30 days beginning with the day on which the person is informed of the decision).

(7) If the person seeks a review, the Commissioners may decide to—

- (a) uphold the decision to exempt the information;
- (b) make the information available; or
- (c) exempt less of the requested information and make more of the requested information available,

and must inform the person who made the request of their decision.

(8) For the purposes of this regulation, the “accessible information” means the details specified in paragraph (9) or (10) which are held on the register in relation to a beneficial owner of a type A trust or a type B trust (within the meaning given in regulation 45ZA(2)), or in relation to an individual referred to as a potential beneficiary in a document from the settlor relating to the trust such as a letter of wishes.

(9) The details are, in relation to an individual—

- (a) the individual’s full name;
- (b) the individual’s month and year of birth;
- (c) the individual’s country of residence;
- (d) the individual’s nationality;
- (e) the nature and extent of the individual’s beneficial interest.

(10) The details are, in relation to a legal entity—

- (a) the legal entity’s corporate or firm name;
- (b) the registered or principal office of the legal entity;
- (c) the nature of the entity’s role in relation to the trust.

(11) For the purposes of this regulation, the Commissioners must take account of the following when determining whether a person has a legitimate interest in the beneficial ownership of a trust—

- (a) whether the person is involved in an investigation into money laundering or terrorist financing;
- (b) whether the person is making the request for accessible information in order to further an investigation into a specified suspected instance of money laundering or terrorist financing;
- (c) whether the disclosure of the information to that person would be likely to prejudice—
 - (i) any criminal investigation or criminal proceedings;
 - (ii) any other investigation mentioned in section 342(1) of the Proceeds of Crime Act 2002 (offences of prejudicing investigation)(9); or
 - (iii) any investigation by an appropriate officer (within the meaning given in regulation 87(10)) into a potential contravention of a relevant requirement, which is or are being, or is or are about to be, conducted;

(9) 2002 c. 29. Section 342(1) was amended by section 77 of the Serious Crime Act 2007 (c. 27), section 169 of the Coroners and Justice Act 2009 (c. 25) and section 53 of the Criminal Finances Act 2017 (c. 22).

- (d) whether, having regard to the information produced by the person making the request, it is reasonable for that person to suspect that the trust is being used for money laundering or terrorist financing.”.

Commencement Information

- I1** Reg. 7(1)(2)(b)-(e)(3) in force at 6.10.2020, see [reg. 1\(2\)](#)
I2 [Reg. 7\(2\)\(a\)](#) in force at 6.4.2021, see [reg. 1\(3\)](#)
I3 [Reg. 7\(4\)](#) in force at 1.9.2022, see [reg. 1\(4\)](#)

Changes to legislation:

There are currently no known outstanding effects for the The Money Laundering and Terrorist Financing (Amendment) (EU Exit) Regulations 2020, Section 7.