

2022 No. 269

**ECONOMIC CRIME (ANTI-MONEY LAUNDERING)
LEVY**

**The Economic Crime (Anti-Money Laundering) Levy
Regulations 2022**

<i>Made</i> - - - -	<i>10th March 2022</i>
<i>Laid before the House of Commons</i>	<i>11th March 2022</i>
<i>Coming into force</i> - -	<i>1st April 2022</i>

The Treasury, in exercise of the powers conferred by sections 58(2), (3)(a), (b), (c), (d), (e), (f), (h), (i) and (m) and (4), 58(6) and 64(1)(a) and (b) and (2) of the Finance Act 2022, make the following Regulations.

Before making these Regulations, the Treasury have consulted each appropriate collection authority(a) in accordance with section 64(4) of the Finance Act 2022(b).

PART 1

Introductory

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Economic Crime (Anti-Money Laundering) Levy Regulations 2022 and come into force on 1st April 2022.

(2) These Regulations extend to England and Wales, Scotland and Northern Ireland.

Interpretation

2. In these Regulations, “the Act” means the Finance Act 2022.

(a) The appropriate collection authorities are the Financial Conduct Authority, the Gambling Commission and the HMRC Commissioners; see section 53(3) of the Finance Act 2022.
(b) 2022 c. 3.

PART 2

Determination of the relevant appropriate collection authority

Determination as to which appropriate collection authority is to exercise functions

3.—(1) Except where paragraph (2) applies, where both the Gambling Commission and the Financial Conduct Authority are an appropriate collection authority with power to exercise functions under Part 3 of the Act in respect of a person, the Financial Conduct Authority is the appropriate collection authority which is to exercise those functions.

(2) This paragraph applies where the Gambling Commission and the Financial Conduct Authority agree that the Gambling Commission will be the appropriate collection authority which is to exercise those functions in respect of a person.

(3) Where paragraph (2) applies, the Gambling Commission must notify the person in writing.

(4) Where, after the Gambling Commission has notified a person that the Gambling Commission will be the appropriate collection authority in accordance with paragraph (3), the Gambling Commission and the Financial Conduct Authority agree that the Financial Conduct Authority will be the appropriate collection authority which is to exercise functions under Part 3 of the Act in respect of a person, the Financial Conduct Authority must notify the person in writing.

PART 3

Provisions for assessment, payment, collection and recovery of the levy, where the appropriate collection authority is the Financial Conduct Authority

Application of Part 3

4. This Part applies where the appropriate collection authority is the Financial Conduct Authority.

Information requirements

5.—(1) The Financial Conduct Authority may by notice require any person for whom the Financial Conduct Authority is a supervisory authority^(a) to make a return (“an economic crime (anti-money laundering) levy return”) relating to the person’s UK revenue^(b) for a financial year to the Financial Conduct Authority.

(2) An economic crime (anti-money laundering) levy return must—

- (a) be made on or before the date specified in the notice (“the FCA return date”);
- (b) contain such information, be in such form and be made in such a manner as may be specified in the notice; and
- (c) include a declaration by the person making the return that the return is, to the best of that person’s knowledge, correct and complete.

(3) A person who has made an economic crime (anti-money laundering) levy return may amend that return at any time up to 12 months after the FCA return date.

(4) Where a notice under paragraph (1) is given to the responsible partners of a partnership^(c), the responsible partners must make an economic crime (anti-money laundering) return in the name of the partnership.

(a) “Supervisory authority” is defined in section 65(1) of the Act.

(b) A person’s UK revenue is determined in accordance with section 57 of the Act.

(c) See section 60(3) of the Act as to when the responsible partners of a partnership are liable to pay the levy.

Payment of the levy

6.—(1) Where a person is liable to pay the levy(a), the Financial Conduct Authority must notify the person in writing as to—

- (a) the amount payable by the person;
- (b) the date by which that amount is to be paid (“the due date”), being a date not less than 30 days after the date of the written notification; and
- (c) details of how the payment can be made.

(2) The notification referred to in paragraph (1) must contain such information, be in such form and be made in such a manner as is specified in a notice(b) published by the Financial Conduct Authority, and not withdrawn by a further notice.

Late payment interest

7.—(1) Where any amount of the levy is not paid in accordance with the notification referred to in regulation 6(1), the Financial Conduct Authority may charge interest on the amount of the levy which remains unpaid.

(2) Interest payable under paragraph (1) is simple interest calculated from day to day on the unpaid amount from a day determined by the Financial Conduct Authority, such day not being before the due date referred to in regulation 6(1)(b), until the day when payment is made, at a rate of 5% over the Bank of England base rate from time to time.

(3) Where the person liable to pay the levy is the responsible partners of a partnership, the liability to pay interest charged in accordance with this regulation is joint and several.

(4) For the purpose of this regulation, the “Bank of England base rate” means—

- (a) the rate announced from time to time by the Monetary Policy Committee of the Bank of England as the official dealing rate, being the rate at which the Bank is willing to enter into transactions for providing short term liquidity in the money markets, or
- (b) where an order under section 19 of the Bank of England Act 1998(c) (reserve powers) is in force, any equivalent rate determined by the Treasury under that section.

PART 4

Provisions for assessment, payment, collection and recovery of the levy, where the appropriate collection authority is the Gambling Commission

Application of Part 4

8. This Part applies where the appropriate collection authority is the Gambling Commission.

Requirements of a person liable to pay the levy

9.—(1) Where a person is liable to pay the levy, it must—

- (a) notify the Gambling Commission of that liability;
- (b) make a return (“an economic crime (anti-money laundering) levy return”) to the Gambling Commission; and
- (c) pay the levy,

(a) “The levy” means the economic crime (anti-money laundering) levy; see section 65(1) of the Act.

(b) Public notices published by the Financial Conduct Authority will be available at fca.org.uk/fees and hard copies will be available on request from FCA, 12 Endeavour Square, London E20 1JN.

(c) 1998 c. 11.

on or before 30th September after the end of the financial year for which the liability arises (“the due date”).

(2) The notification referred to in paragraph (1)(a) must contain such information, be in such form and be made in such a manner as is specified in a notice(a) published by the Gambling Commission, and not withdrawn by a further notice.

(3) An economic crime (anti-money laundering) levy return must—

- (a) contain such information, be in such form and be made in such a manner as is specified in a notice published by the Gambling Commission, and not withdrawn by a further notice; and
- (b) include a declaration by the person making the return that the return is, to the best of that person’s knowledge, correct and complete.

(4) Where the person liable to pay the levy is the responsible partners of a partnership, the responsible partners must make a notification under paragraph (1)(a) and an economic crime (anti-money laundering) levy return in the name of the partnership.

Register

10. The Gambling Commission may include information provided pursuant to regulation 9(1)(a) in a register and make that register, and the information within it, available to members of the public.

Late payment interest

11.—(1) Where any amount of the levy is not paid by the due date referred to in regulation 9(1), the person liable to pay the levy is liable to pay interest on the amount of the levy which remains unpaid.

(2) Interest payable under paragraph (1) is simple interest calculated from day to day on the unpaid amount from the due date until the date when payment is made, at the rate set as the late payment interest rate for the purposes of section 101 of the Finance Act 2009(b) (late payment interest in sums due to HMRC).

(3) Where the person liable to pay the levy is the responsible partners of a partnership, the liability under this regulation is joint and several.

PART 5

Provisions for assessment, payment and collection of the levy, where the appropriate collection authority is the HMRC Commissioners

Application of Part 5

12. This Part applies where the appropriate collection authority is the HMRC Commissioners(c).

Requirements of a person liable to pay the levy

13.—(1) Where a person is liable to pay the levy, it must—

- (a) make a return (“an economic crime (anti-money laundering) levy return”) to the HMRC Commissioners; and

(a) Public notices published by the Gambling Commission will be available at www.gamblingcommission.gov.uk/licensees-and-businesses/aml and hard copies will be available on request from The Gambling Commission, Victoria Square House, Victoria Square, Birmingham B2 4BP.

(b) 2009 c. 10. The late payment interest rate is provided for by regulations made under section 103(1) of the Finance Act 2009. The current rate is set out in the Taxes and Duties, etc (Interest Rate) Regulations 2011 (S.I. 2011/2446).

(c) “HMRC Commissioners” means the Commissioners for Her Majesty’s Revenue and Customs; see section 65(1) of the Act.

(b) pay the levy,
on or before 30th September after the end of the financial year for which the liability arises (“the due date”).

(2) An economic crime (anti-money laundering) levy return must—

- (a) contain such information, be in such form and be made in such a manner as is specified in a notice^(a) published by the HMRC Commissioners, and not withdrawn by a further notice; and
- (b) include a declaration by the person making the return that the return is, to the best of that person’s knowledge, correct and complete.

(3) Where the person liable to pay the levy is the responsible partners of a partnership, the responsible partners must make an economic crime (anti-money laundering) levy return in the name of the partnership.

Amendment of an economic crime (anti-money laundering) levy return

14.—(1) A person who has made an economic crime (anti-money laundering) levy return in accordance with regulation 13 may amend that return at any time up to 12 months after the due date referred to in regulation 13(1).

(2) An amendment must be in such form and be made in such a manner as is specified in a notice published by the HMRC Commissioners, and not withdrawn by a further notice.

PART 6

Death, incapacity or insolvency

Death, incapacity or insolvency

15.—(1) This regulation applies where a person liable to pay the levy—

- (a) who is an individual—
 - (i) has died or become incapacitated; or
 - (ii) has become bankrupt; or
- (b) is subject to winding-up, receivership, administration or an equivalent procedure.

(2) The person (“P”) who—

- (a) in the case of an individual, carries on the regulated business^(b) on behalf of an individual who has died or become incapacitated; or
- (b) acts as the liquidator, receiver or administrator in relation to the business of the person liable to pay the levy or acts in an equivalent capacity,

may be treated by the appropriate collection authority as the person liable to pay the levy and must satisfy the requirements of Part 3 of the Act and the requirements of these Regulations as if they were the person liable to pay the levy.

*Michael Tomlinson
Rebecca Harris*

10th March 2022

Two of the Lords Commissioners of Her Majesty’s Treasury

(a) Public notices published by the HMRC Commissioners will be available at www.gov.uk/government/organisations/hm-revenue-customs and hard copies will be available on request from HMRC, 100 Parliament Street, London SW1A 2BQ.
(b) “Regulated business” is defined in section 65(1) of the Act.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision about the assessment, payment, collection and recovery of the economic crime (anti-money laundering) levy (“the levy”) which is charged in accordance with Part 3 of the Finance Act 2022 (c. 3) for the financial year beginning with April 2022 and subsequent financial years (*see* section 66 of the Finance Act 2022).

The appropriate collection authority is responsible for the collection and management of the levy. The appropriate collection authority is either the Financial Conduct Authority, the Gambling Commission or the HMRC Commissioners, as provided for in section 53(3) of the Finance Act 2022. Part 2 of this instrument makes provision as to which appropriate collection authority is to exercise functions relating to the levy where both the Gambling Commission and the Financial Conduct Authority are an appropriate collection authority in accordance with section 53(3).

Part 3 of this instrument makes provision about the assessment, payment, collection and recovery of the levy where the appropriate collection authority is the Financial Conduct Authority (“the FCA”). Regulation 5 provides for the FCA to require by notice any person for whom it is a supervisory authority (defined in section 65(1) of the Finance Act 2022) to make a return relating to the person’s UK revenue and makes provision as to the content of the return and date by which it must be returned. Regulation 6 makes provision for the payment of the levy and regulation 7 gives the FCA the power to charge interest in the event of late payment.

Part 4 of this instrument makes provision about the assessment, payment, collection and recovery of the levy where the appropriate collection authority is the Gambling Commission. Regulation 9 makes provision for those liable to pay the levy to notify the Gambling Commission, make a return and pay the levy on or before 30th September following the financial year for which the liability arises and makes further provision in relation to the content, form and manner of the notification and the return. Regulation 10 provides that the Gambling Commission may make a register with the notified information and make it publicly available. Regulation 11 makes provision for interest to be payable where any amount of levy is not paid by the due date.

Part 5 of this instrument makes provision about the assessment, payment and collection of the levy where the appropriate collection authority is the HMRC Commissioners. Regulation 13 provides that a person liable to pay the levy must make a return and pay the levy on or before 30th September following the financial year for which the liability arises and makes further provision in relation to the content, form and manner of the return. Regulation 14 makes provision as to amendment of the return.

Part 6 makes provision in relation to cases where an individual liable to pay the levy dies or becomes incapacitated or where a person (whether or not an individual) is subject to an insolvency procedure. Regulation 15(2) provides that those acting for such a person may be treated as the person liable to pay the levy and must satisfy the requirements of the Finance Act 2022 and these Regulations accordingly.

A Tax Information and Impact Note (TIIN) covering this instrument is available on the Government website at <https://www.gov.uk/government/publications/economic-crime-anti-money-laundering-levy>. It remains an accurate summary of the impacts that apply to this instrument.

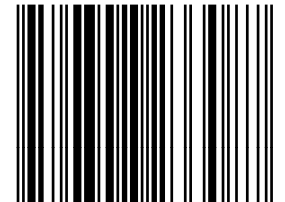
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£6.90

<http://www.legislation.gov.uk/id/uksi/2022/269>

ISBN 978-0-34-823308-7



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