



# Proceeds of Crime Act 2002

## 2002 CHAPTER 29

### PART 7

#### MONEY LAUNDERING

##### *Interpretation*

#### **340 Interpretation**

- (1) This section applies for the purposes of this Part.
- (2) Criminal conduct is conduct which—
  - (a) constitutes an offence in any part of the United Kingdom, or
  - (b) would constitute an offence in any part of the United Kingdom if it occurred there.
- (3) Property is criminal property if—
  - (a) it constitutes a person's benefit from criminal conduct or it represents such a benefit (in whole or part and whether directly or indirectly), and
  - (b) the alleged offender knows or suspects that it constitutes or represents such a benefit.
- (4) It is immaterial—
  - (a) who carried out the conduct;
  - (b) who benefited from it;
  - (c) whether the conduct occurred before or after the passing of this Act.
- (5) A person benefits from conduct if he obtains property as a result of or in connection with the conduct.
- (6) If a person obtains a pecuniary advantage as a result of or in connection with conduct, he is to be taken to obtain as a result of or in connection with the conduct a sum of money equal to the value of the pecuniary advantage.

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- (7) References to property or a pecuniary advantage obtained in connection with conduct include references to property or a pecuniary advantage obtained in both that connection and some other.
- (8) If a person benefits from conduct his benefit is the property obtained as a result of or in connection with the conduct.
- (9) Property is all property wherever situated and includes—
- (a) money;
  - (b) all forms of property, real or personal, heritable or moveable;
  - (c) things in action and other intangible or incorporeal property.
- (10) The following rules apply in relation to property—
- (a) property is obtained by a person if he obtains an interest in it;
  - (b) references to an interest, in relation to land in England and Wales or Northern Ireland, are to any legal estate or equitable interest or power;
  - (c) references to an interest, in relation to land in Scotland, are to any estate, interest, servitude or other heritable right in or over land, including a heritable security;
  - (d) references to an interest, in relation to property other than land, include references to a right (including a right to possession).
- (11) Money laundering is an act which—
- (a) constitutes an offence under section 327, 328 or 329,
  - (b) constitutes an attempt, conspiracy or incitement to commit an offence specified in paragraph (a),
  - (c) constitutes aiding, abetting, counselling or procuring the commission of an offence specified in paragraph (a), or
  - (d) would constitute an offence specified in paragraph (a), (b) or (c) if done in the United Kingdom.
- (12) For the purposes of a disclosure to a nominated officer—
- (a) references to a person’s employer include any body, association or organisation (including a voluntary organisation) in connection with whose activities the person exercises a function (whether or not for gain or reward), and
  - (b) references to employment must be construed accordingly.
- (13) References to a constable include references to a person authorised for the purposes of this Part by [<sup>F1</sup>the [<sup>F2</sup>Director General of the National Crime Agency]].
- [<sup>F3</sup>(14) “Deposit-taking body” means—
- (a) a business which engages in the activity of accepting deposits, <sup>F4</sup>...
  - (b) the National Savings Bank [<sup>F5</sup>, or
  - (c) a person specified, or of a description specified, in regulations made by the Treasury or the Secretary of State.]]

[<sup>F6</sup>(14A) In subsection (14)(a)—

    - (a) the reference to the activity of accepting deposits is a reference to that activity so far as it is, for the time being, a regulated activity for the purposes of the Financial Services and Markets Act 2000 by virtue of an order under section 22 of that Act, but

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- (b) the reference to a business which engages in that activity does not include a person specified, or of a description specified, in regulations made by the Treasury or the Secretary of State.

(14B) Before making regulations under subsection (14A)(b), the Treasury or the Secretary of State (as appropriate) must consult such persons likely to be affected by the regulations, or such representatives of such persons, as they consider appropriate.

(14C) “Electronic money institution” has the same meaning as in the Electronic Money Regulations 2011 (S.I. 2011/99) (see regulation 2 of those Regulations).]

[<sup>F7</sup>(15) “[<sup>F8</sup>Information] order” means an order made under section 339ZH.]

[<sup>F9</sup>(16) “Payment institution” means an authorised payment institution or a small payment institution (each as defined in regulation 2 of the Payment Services Regulations 2017 (S.I. 2017/752)).]

[<sup>F10</sup>(17) “Business relationship” means a business, professional or commercial relationship between a person carrying on business in the regulated sector and a customer or client, where the relationship—

- (a) arises out of the business of that person, and  
(b) is expected by that person, at the time when contact is established, to have an element of duration.]

#### Textual Amendments

- F1** Words in s. 340(13) substituted (1.4.2006) by [Serious Organised Crime and Police Act 2005 \(c. 15\)](#), s. 178(8), [Sch. 4 para. 174](#); S.I. 2006/378, art. 4(1), [Sch. para. 10](#)
- F2** Words in s. 340(13) substituted (7.10.2013) by [Crime and Courts Act 2013 \(c. 22\)](#), s. 61(2), [Sch. 8 para. 135](#); S.I. 2013/1682, art. 3(v)
- F3** S. 340(14) inserted (1.7.2005) by [Serious Organised Crime and Police Act 2005 \(c. 15\)](#), [ss. 103\(6\)](#), 178(8); S.I. 2005/1521, art. 3(1)(c)
- F4** Word in s. 340(14)(a) omitted (29.6.2021) by virtue of [Financial Services Act 2021 \(c. 22\)](#), [ss. 32\(6\)\(a\)\(i\)](#), 49(2)(b)
- F5** S. 340(14)(c) and word inserted (29.6.2021) by [Financial Services Act 2021 \(c. 22\)](#), [ss. 32\(6\)\(a\)\(ii\)](#), 49(2)(b)
- F6** S. 340(14A)-(14C) inserted (29.6.2021) by [Financial Services Act 2021 \(c. 22\)](#), [ss. 32\(6\)\(b\)](#), 49(2)(b)
- F7** S. 340(15) inserted (27.4.2017 for specified purposes, 31.10.2017 in so far as not already in force) by [Criminal Finances Act 2017 \(c. 22\)](#), s. 58(5)(6), [Sch. 5 para. 38](#); S.I. 2017/991, reg. 2(s)
- F8** Word in s. 340(15) substituted (26.10.2023 for specified purposes, 26.4.2024 in so far as not already in force) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), [ss. 185\(14\)\(e\)](#), 219(1)(2)(b); S.I. 2024/269, reg. 4(d)
- F9** S. 340(16) inserted (29.6.2021) by [Financial Services Act 2021 \(c. 22\)](#), [ss. 32\(6\)\(c\)](#), 49(2)(b)
- F10** S. 340(17) inserted (26.10.2023) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), [ss. 182\(6\)](#), 219(2)(f)

#### Modifications etc. (not altering text)

- C1** Pt. 7 applied (24.2.2003) by [Proceeds of Crime Act 2002 \(Crown Servants\) Regulations 2003 \(S.I. 2003/173\)](#), regs. 1, 3
- C2** S. 340(11)(b) modified (E.W.N.I.) (1.10.2008) by [Serious Crime Act 2007 \(c. 27\)](#), s. 94(1), [Sch. 6 para. 44\(a\)](#) (with [Sch. 13 para. 5](#)); S.I. 2008/2504, art. 2(a)

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#### **Commencement Information**

- II** S. 340 in force at 24.2.2003 by S.I. 2003/120, art. 2, **Sch.** (with arts. 3, 4) (as amended (20.2.2003) by S.I. 2003/333, **art. 14**)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 13(5)(a)(iia) inserted by [2015 c. 30 Sch. 5 para. 15\(3\)\(d\)](#)
- s. 323(1)(hc) inserted by [2023 c. 20 Sch. para. 45\(2\)](#)
- s. 323(4)(ec) inserted by [2023 c. 20 Sch. para. 45\(3\)](#)
- s. 323(5)(ec) inserted by [2023 c. 20 Sch. para. 45\(4\)](#)