



# Economic Crime (Transparency and Enforcement) Act 2022

## CHAPTER 10

### ECONOMIC CRIME (TRANSPARENCY AND ENFORCEMENT) ACT 2022

#### PART 1

##### REGISTRATION OF OVERSEAS ENTITIES

###### *Introduction*

- 1 Overview
- 2 Definition of “overseas entity” etc

###### *The register and registration*

- 3 Register of overseas entities
- 4 Application for registration
- 5 Registration and allocation of overseas entity ID
- 6 Notice of registration

###### *Updating*

- 7 Updating duty
- 8 Failure to comply with updating duty

###### *Removal*

- 9 Application for removal
- 10 Processing of application under section 9
- 11 Transfer of documents to Public Record Office

*Obtaining, updating and verifying information*

- 12 Identifying registrable beneficial owners
- 13 Additional powers to obtain information
- 14 Sections 12 and 13: supplementary
- 15 Failure to comply with notice under section 12 or 13
- 16 Verification of registrable beneficial owners and managing officers

*Exemptions*

- 17 Power to modify application process etc in certain cases
- 18 Exemptions

*Language requirement*

- 19 Documents to be in English

*Annotation of the register*

- 20 Annotation of the register

*Inspection of the register and protection of information*

- 21 Inspection and copies of register
- 22 Material unavailable for inspection
- 23 Disclosure of information about trusts
- 24 Disclosure of protected information
- 25 Power to protect other information
- 26 Data protection

*Correction or removal of material on the register*

- 27 Resolving inconsistencies in the register
- 28 Administrative removal of material from register
- 29 Application to rectify register
- 30 Court order to rectify register
- 31 Court powers on ordering removal of material from the register

*False statements*

- 32 General false statement offence

*Land ownership and transactions*

- 33 Land ownership and transactions
- 34 Power to require overseas entity to register if it owns certain land

*Supplementary provision about offences*

- 35 Liability of officers in default
- 36 Meaning of “daily default fine”
- 37 Consent required for prosecutions
- 38 Further provision about proceedings

*Financial penalties*

- 39 Financial penalties

*Sharing of information by HMRC*

40 Sharing of information by HMRC

*Transitional provision*

- 41 Applications in the transitional period: information about land transactions
- 42 Requirement for certain unregistered overseas entities to provide information
- 43 Section 42: supplementary

*Interpretation*

44 Interpretation

**PART 2**

UNEXPLAINED WEALTH ORDERS

- 45 Imposition of unexplained wealth orders on officers etc of property holder: England and Wales and Northern Ireland
- 46 Imposition of unexplained wealth orders on officers etc of property holder: Scotland
- 47 Alternative test to the income requirement: England and Wales and Northern Ireland
- 48 Alternative test to the income requirement: Scotland
- 49 Power to extend period for which interim freezing order has effect: England and Wales and Northern Ireland
- 50 Power to extend period for which interim freezing order has effect: Scotland
- 51 Annual reports on use of unexplained wealth orders: England and Wales
- 52 Limits on costs orders in relation to unexplained wealth orders: England and Wales and Northern Ireland
- 53 Limits on expenses orders in relation to unexplained wealth orders: Scotland

**PART 3**

SANCTIONS

**CHAPTER 1**

MONETARY PENALTIES

- 54 Imposition of monetary penalties
- 55 Procedural rights
- 56 Reporting on breach of financial sanctions

**CHAPTER 2**

IMPOSITION OF SANCTIONS ETC

*Sanctions regulations*

- 57 Streamlining process of making sanctions regulations

*Designation*

- 58 Urgent designation of persons by name
- 59 Urgent designation of persons by description
- 60 Specified ships
- 61 Existing sanctions regulations

*Reviews and reports*

- 62 Removal of reviews
- 63 Removal of reporting requirements
- 64 Court reviews: restrictions regarding damages

*Miscellaneous*

- 65 Sharing of information
- 66 Consequential provision

**PART 4**

## GENERAL

- 67 Regulations
- 68 Extent
- 69 Commencement
- 70 Short title

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**SCHEDULES****SCHEDULE 1 — Applications: required information****PART 1 — INTRODUCTION**

- 1 This Schedule sets out the required information for the purposes...

**PART 2 — OVERSEAS ENTITIES**

- 2 (1) The required information about an overseas entity is—

**PART 3 — REGISTRABLE BENEFICIAL OWNERS**

- 3 Individuals

- 4 Governments and public authorities

- 5 Other legal entities

**PART 4 — MANAGING OFFICERS**

- 6 Individuals

- 7 Persons other than individuals

**PART 5 — TRUSTS**

- 8 (1) The required information about a trust is—

**PART 6 — POWERS TO MAKE FURTHER PROVISION UNDER THIS SCHEDULE**

- 9 (1) The Secretary of State may by regulations make further...

- 10 (1) The Secretary of State may by regulations amend this...

**SCHEDULE 2 — Registrable beneficial owners****PART 1 — MEANING OF “REGISTRABLE BENEFICIAL OWNER”**

- 1 Introduction

- 2 Registrable beneficial owners: individuals

- 3 Registrable beneficial owners: legal entities

- 4 Registrable beneficial owners: government or public authority

**PART 2 — MEANING OF “BENEFICIAL OWNER”**

- 5 Introduction
  - 6 Beneficial owners
    - PART 3 — MEANING OF “SUBJECT TO ITS OWN DISCLOSURE REQUIREMENTS”
    - 7 (1) For the purposes of this Schedule a legal entity...
      - PART 4 — BENEFICIAL OWNERS EXEMPT FROM REGISTRATION
      - 8 “Exempt from being registered”
      - 9 Holding an interest in an overseas entity etc
        - PART 5 — SUPPLEMENTARY PROVISION ABOUT INTERPRETATION OF SCHEDULE
  - 10 Introduction
  - 11 Joint interests
  - 12 Joint arrangements
  - 13 Calculating shareholdings
  - 14 Voting rights
  - 15 In applying this Schedule, the voting rights in a legal...
  - 16 Rights to appoint or remove members of the board
  - 17 References to a board of directors, in the case of...
  - 18 Shares or rights held “indirectly”
  - 19 Shares held by nominees
  - 20 Rights treated as held by a person who controls their exercise
  - 21 Rights exercisable only in certain circumstances etc
  - 22 Rights attached to shares held by way of security
  - 23 Limited partnerships
  - 24 Meaning of “director”
    - PART 6 — POWER TO AMEND THRESHOLDS ETC
  - 25 (1) The Secretary of State may by regulations amend this...
- SCHEDULE 3 — Land ownership and transactions: England and Wales
- PART 1 — AMENDMENTS TO LAND REGISTRATION ACT 2002
  - 1 The Land Registration Act 2002 is amended as follows.
  - 2 After section 85 insert— Overseas entities Overseas entities Schedule 4A is about the ownership of registered land by...
  - 3 After Schedule 4 insert— SCHEDULE 4A Overseas entities Section 85A...
  - 4 In section 128 (regulations), in subsection (4)—
    - PART 2 — TRANSITION: QUALIFYING ESTATES REGISTERED PRE-COMMENCEMENT
  - 5 Duty of proprietor to register as an overseas entity within transitional period
  - 6 Registrar’s duty to enter restriction in relation to qualifying estate
  - 7 Interpretation
- SCHEDULE 4 — Land ownership and transactions: Scotland
- PART 1 — AMENDMENTS
  - 1 Conveyancing (Scotland) Act 1924
  - 2 Land Registration etc. (Scotland) Act 2012 (asp 5)
  - 3 In section 21 (application for registration of deed)—
  - 4 In section 27 (application for voluntary registration), after subsection (4)...
  - 5 In section 46 (the title of which becomes “Meaning of...
  - 6 The italic heading before section 112 becomes “Offences”.

- 7 After section 112 insert— Offence by overseas entity (1) An overseas entity must not deliver to a person...
- 8 In section 116(2) (orders and regulations subject to the negative...
- 9 After schedule 1 insert— SCHEDULE 1A Land transactions: overseas entities...
  - PART 2 — TRANSITION: DEEDS REGISTERED PRE-COMMENCEMENT
- 10 Duty to register as an overseas entity within transitional period
- 11 Disapplication of certain provisions during transitional period
- 12 Interpretation
- 13 For the purposes of paragraphs 10(1)(a) and 11(1)(a)—
  - PART 3 — POWER TO MAKE FURTHER PROVISION
- 14 (1) The Secretary of State may by regulations make further...
  - SCHEDULE 5 — Land ownership and transactions: Northern Ireland
  - 1 The Land Registration Act (Northern Ireland) 1970 is amended as...
  - 2 After section 61 insert— Overseas entities Schedule 8A is about the ownership of registered land by...
  - 3 After Schedule 8 insert— SCHEDULE 8A Overseas entities Section 61A...