

Economic Crime and Corporate Transparency Act 2023

The Economic Crime and Corporate Transparency Act received Royal Assent on 26 October 2023. It is effectively the second part of a legislative package to prevent the abuse of United Kingdom (UK) corporate structures and tackle economic crime, and makes a number of changes, some of them significant, to company law, notably the Companies Act 2006. It follows on from the Economic Crime (Transparency and Enforcement) Act 2022, which received Royal Assent on 15 March 2022.

Effective from: dates TBC by statutory instrument

Key objectives

- 1 Prevent organised criminals, fraudsters, kleptocrats and terrorists from using companies and other corporate entities to abuse the UK's open economy. This Act reforms the powers of the Registrar of Companies and the legal framework for limited partnerships, in order to safeguard businesses, consumers and the UK's national security.
- 2 Strengthen the UK's broader response to economic crime, in particular, by giving law enforcement new powers to seize cryptoassets and enabling businesses in the financial sector to share information more effectively to prevent and detect economic crime.
- 3 Support enterprise by enabling Companies House to deliver a better service for over four million UK companies and improving the reliability of its data to inform business transactions and lending decisions across the economy.

Key provisions

- Establishment of new statutory objectives for the Registrar to promote integrity of registers
- New requirements about company formation
- New provisions about company names, registered offices and registered email addresses
- New provisions about disqualification
- The introduction of identity verification requirements for all new and existing registered company directors, People with Significant Control, and those delivering documents to the Registrar
- New provisions about the Register of members, register of directors, secretaries and persons with significant control
- Changes to the reporting requirements for micro-entities and to confirmation statements
- Similar provisions relating to limited partnerships
- Changes to the requirements for the Register of Overseas Entities
- Additional powers to seize and recover suspected criminal cryptoassets
- New intelligence gathering powers for law enforcement

<https://www.gov.uk/government/publications/economic-crime-and-corporate-transparency-act-2023-factsheets>