

CHARTERED INSTITUTE OF TAXATION
MONEY LAUNDERING REGULATIONS 2007: REGISTRATION, MONITORING AND COMPLIANCE SCHEME

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1. Preamble

1.1 The Institute is designated as a supervisory authority for the purpose of regulation 23 of the Money Laundering Regulations 2007 SI 2157/2007 ("**the 2007 regulations**"). Under the 2007 regulations, the Institute must effectively monitor those for whom it is the supervisory authority and take the necessary measures to ensure their compliance with the regulations.

1.2. If the Institute, in the course of carrying out its functions under the 2007 regulations, knows or suspects that a person has or is engaged in money laundering or terrorist financing, it must promptly inform the Serious Organised Crime Agency.

1.3. Under the 2007 regulations, the Institute has power to keep a register of its Members who are tax advisers in such form as it sees fit.

1.4. This Scheme sets out the requirements for registration of sole proprietor Members and firms of tax advisers containing Members and the system of compliance monitoring to which they are subject. Any Member of the Institute in practice as a tax adviser who, and any firm of tax advisers including Members which, is not registered with the Institute for this purpose is expected to register with another authority under the 2007

regulations. Any individual Member not registering for this purpose with the Institute will be assumed to be either

- (a) a principal or employee of a firm registered with the Institute,
- (b) a principal or employee of a firm registered with another authority under the 2007 regulations,
- (c) registered as an individual with another authority under the 2007 regulations,
- (d) an employee of a firm not required to be registered under the 2007 regulations,
- (e) in practice as a tax adviser outside the United Kingdom; or
- (f) not in practice as a tax adviser.

2. Definitions and interpretation

2.1. In the Scheme, unless the context otherwise requires, words used have the same meanings as in the Charter, Byelaws and Regulations of the Institute, and

"**firm**" includes a company, a partnership, and a limited liability partnership,

"**Institute**" means the Chartered Institute of Taxation,

"**Member**" means a Member of the Institute,

"**principal**" means an equity partner in, or a company director of, a registered firm,

"**register**" means the register maintained under paragraph 4.1,

"**registered firm**" means a firm which is registered under the Scheme,

"**registrant**" means a Member or firm registered under the Scheme,

"**the Scheme**" means this Scheme,

"**tax adviser**" means a firm or sole practitioner who by way of business provides advice about the tax affairs of other persons, and

"**TDB**" means the committee system of the Taxation Disciplinary Scheme operated by The Taxation Disciplinary Board Limited, registered company number 4210063.

2.2 In the Scheme, the singular includes the plural, the masculine includes the feminine, and references to any enactment are to that enactment as amended or replaced from time to time.

2.3 The Scheme shall be construed under the law of England and Wales, and registrants waive any right to seek to determine any matter arising under the Scheme or in connection with it in any alternative jurisdiction.

2.4 If any provision of the Scheme is held to be unlawful, this shall not invalidate or render unlawful any other provision of the Scheme.

3. Registration

3.1. Members who are sole proprietors and firms containing Members at least one of whom is an equity partner or company director, whose business includes the provision of tax advice to clients should apply for registration under the Scheme, using the form issued by the Institute for this purpose.

3.2 The Institute shall have the right to decline an application to register under the Scheme, or to cancel an existing registration if a registrant ceases to be eligible for registration with the Institute or if such action is taken in pursuance of a recommendation under paragraph 6.1 below.

3.3 A registrant shall notify the Institute of any change in the details provided in the relevant application form within 30 days of the occurrence of the change.

4. Publication of Register and exchange of information

4.1. The Institute may maintain and publish a register of the names and business addresses of registrants under the Scheme, and may exchange information with any government or law enforcement agency or another supervisory or other authority listed in the 2007 regulations, subject to the requirements from time to time of United Kingdom data protection legislation.

5. Rights and obligations

5.1 A registrant, while registered, may use the following wording on his or its practice stationery or website:

"Registered with the Chartered Institute of Taxation for the purposes of anti money laundering legislation"

but registration under the Scheme shall not convey any other right or status.

5.2 A registrant may seek guidance or information from the Institute's money laundering help-line, but acknowledges that the help-line cannot provide definitive legal advice.

5.3 A registrant must comply with the requirements of the Institute as set out in or issued in pursuance of the Scheme. In particular, a registrant must

- (a) complete and submit an annual return in a form to be issued by the Institute, and provide such other information as the Institute may reasonably require;
- (b) pay the registration and annual retention fee as determined from time to time by the Institute;
- (c) permit, and co-operate with, inspection visits by the Institute or its authorised representatives;
- (d) notify the Institute if he or it

(i) wishes to withdraw from the register on the grounds of falling within paragraph 1.4 (a) to (f) above, or

(ii) proposes to wind up or is the subject of insolvency proceedings, or

(iii) otherwise ceases to be liable to be registered;

(e) conduct his or its practice in accordance with the laws of the Institute and in particular the Professional Rules and Practice Guidelines applicable to Members.

5.4 Registrants must comply where appropriate with their direct obligations under the 2007 regulations and other relevant legislation and registration under the Scheme shall not reduce or qualify any such direct obligations.

5.5 A registrant is responsible for ensuring that all of its principals and staff, whether they are or are not Members, comply, as appropriate, with the Scheme and any requirements of the 2007 regulations.

6. Discipline

6.1 The Scheme is part of the laws of the Institute and a registrant who fails to comply with its terms is liable to disciplinary action under those laws. A complaint against a registrant alleging failure to comply with the Scheme shall be referred for action by the TDB, which may apply any appropriate sanction in accordance with its powers from time to time which may include the power to recommend that a registrant be removed from the register.

6.2 For the avoidance of doubt, a registrant alleged to have failed to comply with paragraph 5.5 shall be liable to disciplinary action by or on behalf of the Institute, and it shall not be a defence that a failure of compliance was an act or omission of a principal or member of staff who is not a Member.

6.3 A registrant may not withdraw, or apply to be removed, from, the register whilst subject to disciplinary action under or in pursuance of paragraph 6.1.

7. Making and amendment of scheme

7.1 This scheme is made by the Council of the Institute under Regulation 18A of the Institute's Consolidated Regulations on 27 September 2007 and shall come into force on 15 December 2007. The scheme may be amended from time to time by the Council, provided that the Council shall give each registrant 28 days notice of the proposed amendment[s].