Important: are you setting up in practice? Deadline for Anti-Money Laundering Registration of new businesses

General Features

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There are lots of regulatory requirements to deal with when setting up in practice. It can be easy to overlook some of these but you are reminded that *it is a legal requirement* to be registered for anti-money laundering (AML) supervision if you are 'acting in the course of business' as any of the following: 'auditors, insolvency practitioners, external accountants and tax advisers'. Tax advisers include those dealing with tax compliance work and more specialist advisory work such as capital allowances or R&D claims.

As a member you should register promptly for AML supervision with the CIOT/ATT. Where you are also a member of another AML supervisory body the supervisors will agree between themselves which body should supervise you.

If, as some members do, you start in practice working as subcontractors for other accountancy firms, you may be able to take advantage of an exemption from registering for supervision if all of the following conditions are met:

- all customers must be accountancy service providers who are supervised by HMRC or a professional body;
- no business is undertaken directly with the supervised Accountancy Service Providers' own customers;
- you are included in the supervised Accountancy Service Providers' AML controls and procedures, suspicious activity reporting, and training programmes; and

- you have a written contract with each of your customers confirming that every aspect of the relationship between them meets all AML requirements.

These conditions are strictly applied and if, for example, the appropriate written agreement is not in place that may be regarded as a failure to register. Please note that as soon as you take on clients directly you will need to be registered for AML supervision in your own right.

Details on how to register are included on the CIOT website and ATT website.

We will need some initial information in order to set up the business on our system and before the online registration form can be completed. In addition there are criminality check requirements which must be met and the appropriate documentation must be submitted before the registration can be acknowledged. You will need to ensure that you are registered and have completed all associated registration requirements within two months of commencing in business (or to ensure there is no gap in supervision if you move from a previous supervisor so again we would recommend you commence the process at least two months before that date). Failure to deal with matters within this timescale may result in referral to the Taxation Disciplinary Board who may impose a fine or other sanction. In addition late registrants will be required to pay AML registration fees for all years for which they should have been registered with the CIOT/ATT for AML supervision.

For further guidance on AML requirements refer to the CIOT website and the ATT website.

If you have specific queries email the professional standards team standards@ciot.org.uk and standards@att.org.uk.