AML Supervision: Review of 2023/24 renewal process

Briefings



20 September 2023

It is a legal requirement for firms and sole practitioners providing tax or accountancy services to be supervised for anti-money laundering (AML) and meet the requirements of the Money Laundering Regulations and associated legislation. Approximately 850 CIOT firms and 550 ATT firms are registered with CIOT or ATT for supervision.

The AML supervision renewal takes place in May each year and members registered are required to renew by the deadline of 31 May. Members receive at least one email request, and the renewal is advertised in in *Tax Adviser*, on social media and on our websites. Members have an entire month to submit their forms and fee payments (both are required) or to let us know if they no longer need supervision.

No excuses: Key reminders for members

Most members complied with the requirement to renew by 31 May but in 2023 a small number replied after 31 May indicating that they did not receive the renewal emails or see any other reminders.

We recommend that members ensure the correct email and postal addresses are listed on their portal account and that they add aml@tax.org.uk to their contact lists and adjust inbox settings. Members should diarise the AML renewal deadline as non-receipt of the renewal email is not a valid excuse for missing the deadline.

Other points to note include:

- Notification is required within 14 days of any changes to the business or prompt notification is required through the renewal process. Not responding to the renewal emails is not a notification of cessation.
- New business owners, officers and managers require a criminality check certificate which must be forwarded to us. Firms often forget to do this.
- Care must be taken when completing the form to ensure it is accurate.
- A small number of members indicate non-compliance with the following AML requirements: no written practice wide risk assessment; no written policies and procedures; and no AML training undertaken.

Incorrect answers and non-compliance leave members at risk of referral for disciplinary action and the Professional Standards team are in the process of contacting these members.

Disciplinary action

Members who were late in completing their 2023/24 renewal have been referred to the Taxation Disciplinary Board (TDB) for disciplinary action. Seven ATT and thirteen CIOT members received a written warning of potential referral to the TDB. Three ATT and three CIOT members were subsequently referred.

The CIOT and ATT are required to ensure that ‘effective, proportionate and dissuasive disciplinary measures’ are taken to enforce the AML requirements.

Members referred for late submission can expect at the very least to receive a fine of £300 but other sanctions are also available.

Members should review their submissions and contact us at aml@tax.org.uk for guidance and support where you are unclear on any of the requirements.