



Anti-money laundering: what tax advisers need to know

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Webinar content

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- Policing the border
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Background

2020

- New regulations (5MLD)
- Thematic

2021

- Deadline was 10 Jan 2021 for new registrants

Tax Advisers – the change

Old

A firm or sole practitioner who by way of business provides (advice about the tax affairs of other persons)

Current

Material aid, or assistance or advice, in connection with the tax affairs of other persons, whether provided directly or through a third party

If your firm has not been approved for AML, but you meet the definition – you need to tell us now (FA10)

Tax Advisers – guidance

- Anything with a tax element, or tax consequence, runs the risk of being brought into scope
- More tailored the information is, the more likely it is to be advice. Material aid and assistance are also triggers
- Responsibility is yours to know when you are in scope, but there's no such thing a little bit of tax adviser work as far as the regulations is concerned

Tax Advisers – guidance

- Policing the boundary
- Areas of work that could fall into scope
- Red flags
- Other resources



- How is advice provided
- Areas of work that **could** fall in scope
- Policing the border
- Who provides the advice & reliance
- Red flags associated with Tax Adviser services

Areas of work that could fall in scope of the definition

- Standalone advice
 - HMRC Investigations
- Ancillary to another service
 - Already in scope
 - Traditionally not in scope
- Speak to individuals at your firm

Litigation

Corporate

Private Client

Family

Employment

Policing the border

- Apply AML measures on all matters?
- Or only those within scope of the regulations?
- The risks associated with this
- Update the AML policies, control and procedures at your firm

- Regulation 11(d) – extends to advice provided through a **‘third party’**
- Who is providing the advice?
- Reliance – Regulation 39. You must:
 - **immediately** obtain from the third party all the information needed
 - enter into **arrangements** which enables you to obtain CDD
 - require the other person to retain copies of the data
 - Obtain evidence to establish that the person relied upon, falls into the category of person under R39(3).
- **You remain liable**

- Tax evasion
- The Criminal Finance Act 2017 introduced an offence of the failure to prevent the facilitation of tax evasion
- Other reg flags