

Overseas Entities: Public Beneficial Ownership Register

September 2018



From 2021 overseas entities will be required to register with Companies House before they can be registered as the legal owner of UK land.

The department for Business, Energy and Industrial Strategy ([BEIS](#)) has published its draft Registration of Overseas Entities Bill, which will require overseas entities to register with Companies House and provide details of their beneficial owners, on a publicly available register, before they can be registered as the legal owner of UK land, regardless of whether it is commercial or residential. "Property" includes freeholds and all leaseholds of [registrable duration](#).

Which entities must register?

All legal forms of overseas entity which hold, or intend to hold, UK property. An entity is defined as a legal person (i.e. an individual, company, or other entity which has legal rights and is subject to obligations) under the governing law of that jurisdiction.

This will include:

- non-UK incorporated companies (even if the company is UK tax resident); and
- non-UK LLPs and overseas partnerships in jurisdictions where they either have, or can elect to have, legal personality.

Non-UK trusts directly owning UK land are not required to register as trusts do not have a separate legal personality.

The Government is currently consulting on exemptions (for example, Government and Public Authority entities).

What does it mean for overseas entities that already hold UK land?

An overseas entity that is registered or registers as the owner of UK land at the [Land Registry](#) before 2021, will have 18 months from the Bill's effective date to register at Companies House. If the overseas entity fails to register then (unless it is exempt) it, and each of its officers, will commit a criminal offence.

Who is a beneficial owner?

Beneficial owner has the same definition as for the PSC ([people with significant control](#)) register. It includes those persons that are considered to have 'significant influence or control' over the overseas entity. For example, any person who holds more than 25% of the shares or voting rights or can otherwise exercise significant influence or control over that entity.

An overseas entity is obliged to take steps to identify its beneficial owners and obtain the necessary information disclosing it to Companies House.

How does an overseas entity apply for registration?

An overseas entity must apply to Companies House for registration, providing details of the overseas entity and each of its registrable beneficial owners. For individuals, certain personal information will not be made public (for example their residential address).

Next Steps

Consultation on the draft legislation ended on [17 September 2018](#), and revised draft legislation is expected (though it is unlikely that many changes will be made). It is anticipated that the register will be operational in 2021.

If you would like more information or advice relating to overseas entities and their UK obligations, speak to our head of corporate, [Veronica Hartley](#), today.

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Note: This is not legal advice; it is intended to provide information of general interest about current legal issues.

