

MLR Guidelines

Find out if you need to register as an Accountancy Service Provider with HMRC.

Overview

You may have to register with HM Revenue and Customs (HMRC) under the Money Laundering Regulations if your business operates as an Accountancy Service Provider. This guide will help you decide if you need to register as an Accountancy Service Provider and includes links to information on how to register. HMRC have also published a [simplified flowchart](#) that may help you determine if you need to register.

Accountancy Service Providers

For the purposes of the Money Laundering Regulations, HMRC uses the term Accountancy Service Provider to describe:

- auditors who carry out statutory audit work
- accountants who are in business to provide accountancy services to clients
- tax advisers who are in business to provide advice to clients about their tax affairs

Accountancy services

Accountancy services cover recording, reviewing, analysing, calculating and reporting on financial information for other people. They include:

- professional bookkeeping services
- accounts preparation and signing
- tax advice

Tax advice includes:

- helping with filling in and submitting tax returns or duty claims
- advising on whether something is liable to a tax or duty
- advising on the amount of tax or duty that is due

When you need to register as an Accountancy Service Provider

You'll need to register with HMRC if you are carrying out any of these activities by way of business. The regulations apply even to very small businesses, or where a business only does one part of a transaction. You'd still need to register with HMRC if you were a bookkeeper with just one client, for example, or if you only kept a client's business records from which their accountant prepared the accounts. Types of business that are typically covered by the Money Laundering Regulations include:

- accountants
- auditors
- tax advisers and tax consultants
- bookkeepers
- payroll agents if they provide accountancy services and/or tax advice - for example, if they calculate the tax liability, earnings or payments that are made to a business' employees or subcontractors
- customs practitioners, freight forwarders and similar businesses if they provide accountancy and/or tax services

- interim (or temporary) managers who carry out any of the activities of the businesses listed above

Carrying out an activity 'by way of business'

In most cases you'll know whether you're carrying out a relevant activity by way of business but there may be some circumstances where you might not be sure. If you already know that you are in business you do not need to consider this any further. If you are unsure you'll need to consider if you:

- advertise or publicise your business activity, or receive referrals from other businesses
- aim to make a profit when you carry out this activity
- carry out the activity with reasonable or recognisable continuity

If you do all of these things then you are carrying out the activity by way of business and you need to register with HMRC. If you don't do any of these things then you aren't carrying out the activity by way of business and you don't need to register with HMRC. If you do some but not all of these things, and you're still not sure, you can [contact HMRC by email or in writing](#) for guidance, letting them know which activities do and do not apply to you.

When you don't need to register with HMRC as an Accountancy Service Provider

You don't need to register with HMRC if:

- you're in business as an Insolvency Practitioner - you'll be supervised by the Insolvency Service instead
- you provide tax advice or accountancy services on a non-commercial basis, for example within your own organisation rather than to a third party - you're outside the scope of the regulations because you don't provide these services as your business
- you provide certain payroll services that don't include tax advice or accountancy services

Payroll businesses that are outside the scope of the regulations

If your business provides payroll services to a third party, you're not an Accountancy Service Provider for the purposes of the Money Laundering Regulations if you:

- provide software or hardware service support for payroll data processing, as long as you don't analyse or prepare any financial information
- pay invoiced service fees to self-employed people, umbrella companies, partnerships or other corporate service providers
- operate as a body like an umbrella company or a managed service company and carry out payroll functions for employees who are working on assignments for an end-user client
- provide recruitment or human resources management services and carry out payroll functions as just a small part of your main business activity - for example, you might be an employment business that supplies or manages temporary or contract workers

When businesses like customs practitioners don't have to register

If you're in business as a customs practitioner, a freight forwarder or similar, you're not covered by the Money Laundering Regulations if you only provide services like:

- helping your clients with classifying or valuing exports and imports for customs purposes

- helping clients to comply with customs and other procedures, like using simplified declaration procedures or facilities like warehousing
- helping clients with import or export licensing, and submitting import and export declarations on their behalf
- paying duties, taxes and levies on behalf of importers

To be outside the scope of the regulations your services must only cover the procedural aspects of these activities. You mustn't provide any tax advice or accountancy services.

Accountancy Service Providers already registered or supervised elsewhere

If you are an Accountancy Service Provider you must register with HMRC unless:

- you're already supervised for Money Laundering Regulations purposes by a professional body
- all your customers are themselves supervised by HMRC or a professional body

The Main Supervisory Bodies

For the purposes of the Money Laundering Regulations the main supervisory bodies for accountants, bookkeepers, tax advisers and other financial advisers are the:

- Association of Accounting Technicians
- Association of Chartered Certified Accountants
- Association of International Accountants
- Association of Taxation Technicians
- Chartered Institute of Management Accountants
- Chartered Institute of Taxation
- Financial Conduct Authority
- Institute of Certified Bookkeepers
- Institute of Chartered Accountants in Ireland
- Institute of Chartered Accountants in Scotland
- Institute of Chartered Accountants of England and Wales
- Institute of Financial Accountants
- International Association of Book-keepers
- Law Society

If you're supervised by one of these bodies you don't need to register with HMRC.

If all your customers are Accountancy Service Providers

If all your customers are Accountancy Service Providers who are supervised by HMRC or a professional body you don't need to register so long as:

- you don't do business directly with the supervised Accountancy Service Providers' own customers
- you're included in the supervised Accountancy Service Providers' anti-money laundering controls and procedures, suspicious activity reporting, and training programmes
- you have a written contract with each of your customers confirming that every aspect of the relationship between you meets all anti-money laundering requirements

You need to meet all of these conditions, otherwise you'll still need to register.

Registering with HMRC as an Accountancy Service Provider

To register with HMRC you'll need to fill in a registration form and provide all the information requested.