

## The Register of Overseas Entities is one year old!

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The register of overseas entities (ROE) marked its first year anniversary on 1 August 2023. Created under the Economic Crime (Transparency and Enforcement) Act 2022, the register seeks to capture information about beneficial ownership of overseas entities that own UK land.

In July 2023, Companies House reported that more than 28,000 registrations of overseas entities had been completed to date.

All registered overseas entities will now need to remember to keep information on the ROE updated at least every twelve months. Failure to update the register will have severe (and criminal) consequences.

### What are the updating obligations?

The overseas entity will need to confirm whether or not any changes have occurred to the information retained by Companies House about the entity and its beneficial owners or managing officers. Overseas entities must complete and file an “update statement” even where there is no change to the information previously submitted.

Where any information has changed since the entity originally registered (or any subsequent update), a UK-regulated verification agent must be instructed to confirm the accuracy of the information supplied.

A fee of £120 to update the ROE will be charged and in most cases, the updating process can be completed online.



## What are the consequences of not updating the ROE in time?

Failure to comply with the updating obligation is a criminal offence punishable by fine or prosecution. A failure to comply with the updating duty will also cause the overseas entity to lose its registered status and their ID will become invalid. The ID will not be reinstated until the ROE has been brought up to date.

This will have a significant impact on property transactions. Overseas entities that have not registered with Companies House already face restrictions on selling, transferring, leasing or raising charges against their property or land. Overseas entities will not be able to be registered as the proprietor of leasehold or freehold land without a *valid* OE ID. Notice of the failure to comply with the updating duty will also be put on the ROE which is available for public inspection. This also poses a risk to buyers (or mortgagees). Where an overseas entity vendor does not have a valid ID, the buyer/mortgagee will not be able to register their newly acquired interest in land.

## What action needs to be taken now?

The annual update is due twelve months from the date of the initial registration and overseas entities will have fourteen days to complete the update.

Overseas entities should now be checking their initial registrations carefully to ensure that this important anniversary date is not overlooked.

## How we can help

If you have any further questions or need help on anything mentioned in the article, please get in contact with our expert [real estate team](#).



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