



Register of beneficial owners for Companies

As of 1st January 2018 all Maltese companies and partnerships have a new obligation: identifying, recording and reporting their beneficial owners to the Registry of Companies. A right of access to such new information will also come about.

IDENTIFICATION, RECORDING AND REPORTING

Which entities must comply?

Both new companies incorporated or redomiciled to Malta, new partnerships (en nom collectif, en nom commandite and limited partnerships), as well as existing companies and partnerships are caught by the rules, with the following exceptions:

- Companies listed on a regulated market subject to transparency requirements consistent with the EU laws; and
- Companies where all the registered shareholders are natural persons who are disclosed in the public records at the Registry.

What and how to disclose

Companies have to maintain the following information in an internal register, as well as keep records of any changes thereto: name; date of birth; nationality; country of residence; an official identification document number indicating the type of document and its country of issue; and the nature and extent of the beneficial interest held by each beneficial owner.

A declaration signed by relevant company officers, containing with the same information, must be submitted within given deadlines, and re-submitted annually, unless changes to the above occur in the meantime, such as changes in the interest held, or new beneficial owners, in which case a note of change would have to be filed.

When to record and report

The reporting obligation arose as from 1st January 2018.

Companies and partnerships which have been incorporated before 1st January 2018 will have 6 months to comply with the new regulations.

Penalties

Penalties for non-compliance by entities can reach EUR 1,000 while providing misleading, false or deceptive in a material particular constitutes a criminal offence punishable with a fine of up to €5,000 or to imprisonment up to 6 months or both.

ACCESS

As of 1st April 2018 access to the above will be granted to a number of persons as follows:

- **National competent authorities** with designated responsibilities for combating money laundering and terrorist financing;
- **Financial Intelligence Analysis Unit;**
- **National tax authorities;**

- **Subject persons** in terms of the Prevention of Money Laundering and Funding of Terrorism Regulations providing services in or from Malta, for the purpose of carrying out customer due diligence in accordance with the regulations; and
- **Any person or organisation with a legitimate interest** that upon a written request can satisfactorily (a) demonstrate and (b) justify a legitimate interest. A legitimate interest to have access is considered to have been satisfactorily demonstrated where the persons/organisation requesting information can satisfactorily demonstrate that the interest specifically and solely relates and will contribute to the prevention, detection and combating of money laundering or the associated predicate offences or the financing of terrorism and will be justified on the basis of previous activities and a proven track record of actions in that field by means of relevant documentary evidence.

Exceptions

Exception to access only apply:

- in exceptional circumstances it can be justified by means of documentary evidence and to be determined on case by case basis that such access would expose a beneficial owner to risk of fraud, kidnapping, blackmail, violence, intimidation; or
- if the beneficial owner is a minor or otherwise incapable.

Can you make it on your own or do you need help?

At KPMG, we have a dedicated team of professionals who can help with an efficient management of the overall processes to ensure clients are fully compliant with the new requirements, including:

- Providing guidance on the duties and obligations in force at the level of both the legal entities, other legal arrangements, and officers;
- Analysing the implications of and identifying the manner of application of the new requirements.

In addition, our dedicated team and correspondents in other member firms can provide integrated corporate and tax compliance services across the globe.

Our Core Annual Service looks to assist clients with the routine corporate matters their entities face each year, including ongoing maintenance of corporate registers, which will include preparing and keeping the 'UBO Register' duly updated.

Contact us



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