



Companies House

Guidance

Register of Overseas Entities: approach to enforcement

Updated 2 January 2026

Contents

1. Introduction
2. Background
3. Approach to compliance and enforcement
4. Types of sanctions
5. Offences



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1. Introduction

This framework explains how Companies House will use its enforcement powers in relation to the Register of Overseas Entities. The framework links to the more general Companies House enforcement approach. We'll continue to review this framework's effectiveness and adjust it as needed.

Where information, support and guidance do not result in compliance, Companies House will use its significant enforcement powers predictably, consistently and judiciously. We'll select the most suitable method of enforcement by assessing:

- the nature and seriousness of a failure
- how individuals, businesses and the integrity of our registers have been affected
- the novelty and duration of the issue
- the public interest
- whether other agencies are already taking, or contemplating taking, action in relation to the matter

2. Background

The Economic Crime (Transparency and Enforcement) Act 2022 (<https://www.legislation.gov.uk/ukpga/2022/10/contents>) (the Act) received Royal Assent in March 2022. Part 1 of the Act introduces a new register, the Register of Overseas Entities (the register), to capture information about beneficial ownership of overseas entities that own UK land. The Act sets out that an overseas entity that owns land in the scope of the Act, or is proposing to own land in the UK, must register with the Registrar of Companies for England and Wales (Companies House).

The register has been established to increase transparency in the ownership of overseas entities that own UK land. Organised crime has previously used corporate structures such as overseas entities to invest in UK land, and remain anonymous and largely invisible. Those who own and control such entities must now be identified. This will help law enforcement agencies by providing more information than has previously been available, and also help those

seeking to transact with overseas entities to understand who they are doing business with.

As part of the registration process (<https://www.gov.uk/guidance/register-an-overseas-entity>), overseas entities must disclose information about their beneficial owners or managing officers to Companies House. This information is then held on the register and the overseas entity must update this information at least once a year. Most of the information is publicly available.

Technical guidance (<https://www.gov.uk/government/publications/register-of-overseas-entities-guidance-on-registration-and-verification>) from the Department for Business and Trade (formerly the Department for Business, Energy & Industrial Strategy) explains the circumstances in which overseas entities must register their details and those of their beneficial owners and (in some cases) managing officers. This guidance is non-statutory - you should read this along with the Act. You should not rely on this guidance alone without reference to the regulations.

A UK-regulated agent must verify the information (<https://www.gov.uk/guidance/register-an-overseas-entity#what-is-needed-for-verification-checks>) (defined as a 'relevant person').

For more information, see:

- guidance from Companies House (<https://www.gov.uk/government/collections/companies-house-guidance-for-limited-companies-partnerships-and-other-company-types#register-of-overseas-entities>)
- guidance from HM Land Registry (<https://www.gov.uk/government/publications/overseas-companies-and-limited-liability-partnerships-pg78/practice-guide-78-overseas-companies-and-limited-liability-partnerships#the-register-of-overseas-entities>) and Registers of Scotland (<https://kb.ros.gov.uk/land-and-property-registration/about-register-of-overseas-entities>)

3. Approach to compliance and enforcement

Companies House uses a variety of ways to help entities comply with regulatory requirements.

These include:

- sending email reminders to entities before the deadline to provide an update
- free online guidance (<https://www.gov.uk/government/collections/register-of-overseas-entities>)
- utilising contacts in professional bodies
- offering support and advice to customers

3.1 Enforcing compliance

Where help and advice does not secure compliance with regulatory requirements, Companies House will use a consistent and proportionate approach to enforcement.

This will include, where necessary:

- restrictions on properties
- issuing civil financial penalties
- prosecution of criminal activity

Companies House will take account of and balance:

- the risk posed to people and the economy
- the seriousness of the breach of the law
- the impact on the economy, people or the integrity of the register
- the cost and benefit of taking enforcement action and whether it is in the public interest

Companies House will prioritise resources according to intelligence, focusing on offences where there has been persistent, repeated and wilful non-compliance.

Where appropriate, alternatives to criminal prosecution may be considered to secure compliance with regulations.

4. Types of sanctions

4.1 Restrictions

Entities that have failed to register with Companies House, or which fail to comply with the updating duty, will face restrictions on selling, leasing or raising charges over their land. Overseas entities cannot purchase any new UK property without a valid registration.

4.2 Prosecution

Companies House may refer cases to The Insolvency Service and other law enforcement agencies to be considered for prosecution. Prosecution will usually be considered for the most serious cases. Once a case has been referred, all decisions about investigation, charging and prosecution rest with the prosecuting authority.

When considering whether to prosecute, prosecutors will follow the Code for Crown Prosecutors (<https://www.cps.gov.uk/publication/code-crown-prosecutors>) (or Prosecution Code (<https://www.copfs.gov.uk/publications/prosecution-code/html/>) in Scotland, or The Code for Prosecutors (<https://www.ppsni.gov.uk/publications/code-prosecutors>) in Northern Ireland) in all cases.

4.3 Civil financial penalties

The registrar may impose a civil financial penalty when satisfied beyond reasonable doubt that an offence has been committed. Depending on the offence, this can be a:

- fixed penalty
- daily rate penalty
- combination of a fixed penalty and daily rate penalty

Warning notice

The registrar may issue a warning notice if they suspect an offence has been committed. This will outline:

- the grounds for suspecting an offence has been committed

- that a person may email or write to Companies House within a period set out in the notice, which will be at least 28 days
- a warning that the registrar may issue a penalty if a person does not contact Companies House within the period in the notice, or if we do not accept the explanation provided

Representations

If you receive a warning notice and wish to make a representation, you must email enquiries@companieshouse.gov.uk or write to us to explain any information you want us to consider. This must be received by Companies House within the timescale listed on the warning notice. We'll then further consider whether an offence has been committed and if a penalty is appropriate.

We'll confirm that we've received your email or letter, and contact you with the outcome. We will not make a decision about the offence and penalty until we've considered all information provided.

If we decide to issue a penalty and you do not accept our decision, you may appeal the penalty.

Penalty notice

The registrar may issue a penalty notice if satisfied that an offence has been committed. This will set out:

- the grounds for issuing the financial penalty
- the type of penalty (fixed, daily rate, or both)
- the penalty amount
- how to pay the penalty
- that the full penalty amount must be paid within 28 days of the notice
- the right to appeal
- what happens if the penalty is not paid, including the application of interest and enforcement of unpaid penalties

How we determine the penalty

To determine the financial penalty amount, the registrar will assess the culpability and the harm involved in each case.

When assessing culpability, the registrar will consider factors including evidence of intent and previous penalties or conduct.

For offences relating to the register, we'll use the estimated value of each property to estimate the potential harm. The greater the calculated value of the

property, the greater the scale of potential economic crime facilitated by the offence, for example, the risk of money laundering through the properties. We'll send you a penalty warning notice which will show the total penalty for the properties.

Companies House does not have an independent valuation of properties or the resources to value each property. We base the amount of a penalty initially upon the property's Council Tax band where this is available.

Council Tax banding is broadly linked to the value of the property. This means penalties will generally be higher for more valuable properties.

See Council Tax bands in England and Wales

(<https://www.gov.uk/guidance/understand-how-council-tax-bands-are-assessed#council-tax-bands-in-england-based-on-1-april-1991-values>).

See Council Tax bands in Scotland (<https://www.saa.gov.uk/council-tax/council-tax-bands/>).

Each band gives a low, medium or high penalty rate for each property.

Council Tax band England	Penalty rate
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A to C	Low
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D to F	Medium
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G to H	High
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Council Tax band Wales	Penalty rate
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A to C	Low
--------	-----

D to F	Medium
--------	--------

G to I	High
--------	------

Council Tax band Scotland	Penalty rate
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A to C	Low
--------	-----

D to F	Medium
--------	--------

Council Tax band Scotland Penalty rate

G to H	High
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If Council Tax data is unavailable, we'll consider the business rateable value when calculating the penalty.

Rateable value	Property value	Penalty for each property
Under £50,000	Low	£10,000
£50,000 - £100,000	Medium	£20,000
Over £100,000	High	£50,000

If neither the Council Tax banding or rateable value is available, we'll consider the House Price Index (<https://landregistry.data.gov.uk/app/ukhpi/browse?from=2022-03-01&location=http%3A%2F%2Flandregistry.data.gov.uk%2Fid%2Fregion%2Fengland-and-wales&to=2023-03-01&lang=en>) when calculating the penalty.

House Price Index value	Property value	Penalty for each property
Under £500,000	Low	£10,000
£500,000 - £1,000,000	Medium	£20,000
Over £1,000,000	High	£50,000

If none of this data is available, we'll apply penalties based on these scenarios:

Multiple properties within a single title number

Where a title description contains more than one property, the entity will attract a penalty for each property, as per the steps above. If none of this data is available, we'll assume the property has a value that attracts a medium level penalty. The medium level penalty is £20,000.

Duplicate title descriptions for multiple title numbers

Where there are multiple identical title descriptions, only one penalty will be allocated to that property address as per the steps above.

Garages or units

Where a title description contains a garage or unit alongside a property, only one penalty will be applied based on the value of the property as indicated in the steps above. Where the description of a title refers only to a garage or unit, a medium penalty value of £20,000 will be allocated.

Parking spaces

Where a title description references a parking space alongside a property address, only one penalty will be applied based on the value of the property as per the steps above. Where the description of a title refers only to a parking space registered to an overseas entity, then a low penalty value of £10,000 will be allocated.

Residential housing plots or plots of land

Where a title description references a plot of land, housing plot, or multiple plots of land or housing plots, one penalty will be applied to each individual plot as per the steps above. If none of this data is available, we'll assume the property has a value that attracts a medium level penalty. The medium level penalty is £20,000.

Land

Where the title description includes land, the value allocated will be a medium value penalty of £20,000 per parcel of land.

Airspace

Where a title description references airspace alongside a property address, one penalty will be applied based on the value of the property as per the steps above. Where the description of a title refers only to airspace, a low penalty value of £10,000 will be applied.

Part of a property or land

Where a title description refers to part of a property, if none of the information from the steps above is available, we'll assume the property has a value that attracts a medium level penalty. The medium level penalty is £20,000.

Multiple and duplicate properties within property portfolio

Title Number	Tenure	Property Address
TN091834	Freehold	1, 2 and 3 Cherry Tree Lane
TN341809	Freehold	4, 5 and 6 Cherry Tree Lane
TN726931	Freehold	1 Cherry Tree Lane
TN009172	Freehold	2 Cherry Tree Lane

Title Number	Tenure	Property Address
TN567123	Freehold	3 Cherry Tree Lane
TN450178	Freehold	5 Cherry Tree Lane

In this example where a total of 10 properties are listed, only 6 penalties should be applied. No duplicate penalties should be applied for numbers 1, 2, 3 and 5 which are listed twice.

If none of this data is available, we'll assume the property has a value that attracts a medium level penalty. The medium level penalty is £20,000.

After assessing the culpability and harm, the registrar will consider any aggravating or mitigating factors that may make the offence more or less serious. This includes any information provided to the registrar after receiving a warning notice. The registrar also has the power to vary or revoke a financial penalty on a case by case basis.

If an entity complies with the requirements before the end of the warning notice period, the matter will be reconsidered.

To determine the penalty amount, the registrar will also consider any representations (<https://www.gov.uk/government/publications/register-of-overseas-entities-approach-to-enforcement/register-of-overseas-entities-approach-to-enforcement#representations>) by email or in writing from an entity or individual. This can include information about your financial means and ability to pay a penalty.

If we have no contact from the entity about its ability to pay a penalty, we may assume the level of an individual's income to determine an appropriate penalty.

Here's how you can challenge your Council Tax banding in England and Wales (<https://www.gov.uk/challenge-council-tax-band/evidence-supports-your-challenge>) if you wish to dispute the Council Tax banding of your properties.

Appealing a penalty

If you receive a penalty notice, you may appeal to the High Court (or the Court of Session, in Scotland). You may appeal if you believe that the decision to impose a financial penalty, or the level or type of the financial penalty:

- is unlawful
- is irrational or unreasonable

- has been made on the basis of a procedural impropriety or otherwise contravenes the rules of natural justice

You must seek the permission of the court within 28 days of the date of the penalty notice to bring an appeal. You must notify the registrar by email or in writing within 7 days of applying for permission to appeal. You should include your grounds of appeal when notifying the registrar.

Enforcement

If a penalty is not paid within 28 days of the date of the penalty notice, the registrar may seek to enforce the debt through the courts. This may result in a charge being placed on the entity's property.

Continued contravention

In the case of continued non-compliance with the requirements following the issue of a financial penalty, the registrar may issue further penalties for continued contravention. The ongoing nature of the offence will be considered when determining the penalty amount.

5. Offences

This section gives a summary of the offences within the Act. This is an overview only and you should not rely on this alone without reference to the Act.

An entity or individual should always seek further advice if they are unsure of their compliance with the Act. The sanctions listed are the possible sanctions that a court could impose.

The registrar may issue a financial penalty for any offence as an alternative to criminal prosecution.

5.1 Failure to comply with updating duty

If a registered overseas entity fails to comply with the duty to update the register (section 7 of the Act), an offence is committed by the entity and by every officer of the entity who is in default.

A person will be in contravention of the Act until the registered overseas entity has delivered the statements and information required under this duty. Every officer of the registered overseas entity commits an offence in the case of continued contravention, regardless of their role in the initial offence.

A person guilty of this offence may be liable to a fine, and, if the contravention continues, a daily default fine. The fines are different in England and Wales, Scotland, and in Northern Ireland.

5.2 Failure to register by the end of the transitional period

If an overseas entity is required to register by the end of the transitional period but does not, the entity and every officer of the entity commits an offence. These offences are in Schedule 3, paragraph 5 (for England and Wales) and Schedule 4, paragraph 10 (for Scotland) to the Act.

A person found guilty of this offence could get a prison sentence, a fine, or both. The fines are different in England and Wales, and in Scotland.

5.3 Failure to comply with notices

A person commits an offence if they fail to comply with either of the notices described in section 12 and section 13 of the Act, and cannot provide a reasonable excuse for this failure. There is no statutory definition of 'reasonable excuse' and this phrase must be given its ordinary meaning.

If a person responds to a notice, they commit an offence if they either:

- make a statement that they know to be misleading, false or deceptive in a material particular
- recklessly make a statement that is misleading, false, or deceptive in a material particular

If either of these offences is committed by a legal entity, the offence is also committed by every officer who is in default.

A person found guilty of either of this offence could get a prison sentence, a fine, or both. The fines are different in England and Wales, Scotland, and in

Northern Ireland.

5.4 Resolving inconsistencies in the register

If the registrar believes information delivered by an overseas entity is inconsistent with other information on the register, they may give notice to the overseas entity. This notice will:

- state the information that the registrar believes to be inconsistent with the register
- require the overseas entity to take steps to resolve this inconsistency

The notice must state its date of issue and documents which resolve the inconsistency must be delivered to the registrar within 14 days after that date.

Under section 27 of the Act, if the documents are not delivered within this time, the entity and every officer of the entity commits an offence.

A person found guilty of an offence could get a prison sentence, a fine, or both. The fines are different in England and Wales, Scotland, and in Northern Ireland.

5.5 False filing offences

Under section 32 of the Act, it is an offence for a person to:

- deliver or cause to be delivered to the registrar any document that is misleading, false or deceptive in a material particular
- make to the registrar any statement that is misleading, false or deceptive in a material particular

Without 'reasonable excuse', a person guilty of this offence is liable to a fine. The fines are different in England and Wales, Scotland, and in Northern Ireland.

If the person can provide a reasonable excuse, they do not commit an offence. There is no statutory definition of 'reasonable excuse' and this phrase must be given its ordinary meaning.

Each case will be considered on its individual facts.

5.6 Aggravated false filing offences

If a person knowingly delivers, or causes to be delivered, a document or statement to the registrar that is misleading, false, or deceptive, then this is considered an aggravated offence.

A person guilty of this offence could get a prison sentence, a fine, or both. The fines are different in England and Wales, Scotland, and in Northern Ireland.

5.7 Failure to register if required by the Secretary of State for the Department for Business and Trade

The Secretary of State may, by notice, require an overseas entity to apply for registration within 6 months of the notice. Under section 34 of the Act, it is an offence for a person to fail to comply with this notice. The offence is committed by the overseas entity and every officer of the entity who is in default.

A person found guilty of the offence could get a prison sentence, a fine, or both. The fines are different in England and Wales, Scotland, and in Northern Ireland.

5.8 If an entity disposed of land between 28 February 2022 and the end of the transitional period

It is an offence under section 42 of the Act if, at the end of the transitional period, the entity:

- has not registered as an overseas entity
- has not made an application for registration as an overseas entity that is pending
- is not an exempt overseas entity
- has not provided the required information about the state of affairs immediately before disposing of land

- has not provided the required information about the disposal of land

The offence is committed by the overseas entity and every officer of the entity who is in default.

A person found guilty of the offence could get a fine and, for continued contravention, a daily default fine. The fines are different in England and Wales, Scotland, and in Northern Ireland.

5.9 Offences under other legislation

The Economic Crime and Corporate Transparency Act 2023 (<https://www.legislation.gov.uk/ukpga/2023/56/contents/enacted>) gives Companies House new powers to improve the integrity of the register and help combat economic crime.

One of these new powers allows the registrar to require an entity to provide information under section 1092A of the Companies Act 2006 (<https://www.legislation.gov.uk/ukpga/2006/46/section/1092A>). This power applies to the Register of Overseas Entities.

To request information, Companies House will first contact the entity, before issuing a formal notice under section 1092A. This notice will state:

- the information required
- how long the entity has to respond

It's an offence not to comply with this notice.

Companies House has not yet issued any notices under this new power. We'll give an update through our usual communications channels before we start using it.



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