

A proposal to extend beneficial ownership rules to UK land-holding foreign companies

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A [report](#) published today by Global Witness, alleging that an individual with ties to a former Kazakh public official owns large swathes of London, follows much recent interest in the issue of public officials owning property in the UK via secretive corporate structures that conceal their interest.

Earlier this month, an [Early Day Motion \(EDM\)](#) was filed at the House of Commons in support of the motion that the Land Registry should record the beneficial owners of foreign companies holding land in the UK. The EDM was triggered by the recent screening of [From Russia with Cash](#) on Channel 4, which alleged that significant sums of illicit funds from Russia were being invested in the UK property market while estate agents turned a blind eye. While EDMs often have little chance of being debated, they are frequently used as a means of raising the profile of certain issues among the media and the public.

The proposal to extend beneficial ownership rules to foreign companies was proposed in Transparency International UK's publication [Corruption on your Doorstep](#), which analysed data from the Land Registry and Metropolitan Police Proceeds of Corruption Unit to identify over 35,000 properties in London owned by off-shore companies and found that over 75% of suspects in grand corruption cases had used such structures to conceal their ownership of property.

At the recent Annual General Meeting of the All Party Parliamentary Group (**APPG**) on Anti-Corruption, the proposal to extend corporate transparency rules to foreign companies owning property in the UK was identified as a [potential priority](#) for the APPG to pursue during this Parliament.

Given the willingness of David Cameron to take a decisive lead on beneficial ownership (see our review of the legislation [here](#)), the opportunity to close an obvious loophole may be quite attractive to the Government and it will demonstrate a sincere commitment to addressing corruption and money laundering in the UK.

Contributors

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