



FCA Levies - Economic Crime Levy

Of particular interest to: Firms who are FCA fee-payers supervised by the FCA under the Money Laundering Regulations (MLRs).

In brief

Firms will need to complete the new data return, FIN074 - Economic Crime Levy via RegData by 2 May 2023. The Economic Crime Levy (ECL) will be charged on entities regulated for AML purposes during the financial year from 1 April 2022 to 31 March 2023.

Summary

Section 53 of the Finance Act 2022 requires the FCA (alongside HMRC and The Gambling Commission) to collect an ECL on behalf of HM Treasury from firms supervised under the MLRs.

The ECL is part of the government's wider objective, outlined in the 2019 Economic Crime Plan (ECP), to develop a long-term Sustainable Resourcing Model (SRM) to tackle economic crime. As one part of this SRM, and supported by ongoing government funding, the levy will aim to raise £100 million per year from the AML regulated sector to pay for government initiatives outlined in the ECP to help tackle money laundering.

The government believes it is fair and proportionate that as the sector most exposed to money laundering risk, the AML-regulated sector should be the principal contributor to the reform initiatives that will benefit them and help make the UK a safer place for them to do business.

The levy will be based on total UK revenue and will be charged according to four size bands. The amounts for 2023/24, as set out in Chapter 5 of CP22/23 ('Regulatory fees and levies: policy proposals for 2023/24'), are stated below:

Firm's UK revenue for 1 April 2022 to 31 March 2023	Levy
Small (under £10.2m)	Exempt
Medium (£10.2m – £36m)	£10,000
Large (£36m – £1bn)	£36,000
Very Large (over £1bn)	£250,000

Invoicing of FCA supervised firms will be conducted as part of the normal invoicing process and the levy will add an additional line on the invoice. The new regulatory return FIN074 - Economic Crime Levy - will need to be completed via the RegData system and submitted by 2 May 2023.

Useful Links

[Gov.UK Economic Crime Levy](#)

[CP22/23](#)

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