

New rules mean overseas companies with a place of business risk closure for non-compliance

Implications for overseas companies

There will be only one type of registration for overseas companies with a presence in the UK with effect from 1 October 2009 which will be known as a "UK Establishment". All existing registered branches and places of business will be treated as a UK Establishment from this date and will be required to meet the filing obligations currently required of a branch.

(<http://www.companieshouse.gov.uk/about/gbhtml/gpo1.shtml>)

Overseas companies that currently have a place of business registered will be required to file additional information, including accounts, within a transition period. In addition such companies will need to file their next accounts under the new rules which potentially mean more detailed disclosures.

If companies do not meet these filing requirements within the transition period Companies House may close the registration on the basis that they believe that the overseas company is no longer operating in the UK. In addition, there may be potential criminal/civil sanctions that could be taken against the company or its directors.

These new rules do not impact the tax status of existing places of business or branches but may result in the UK Revenue reviewing your current status

What should you do now?

- Re-registering your existing place of business as a UK Establishment.
- Review your current tax status as a UK representative office
- Understand the new reporting requirements relating to filing accounts of a UK Establishment.
- Understand your additional disclosure requirements with effect from 1 October 2009.

What we can do for you

- Preparing branch accounts (if necessary) to meet the new reporting requirements/review prior year failure to file accounts.
- Registration of new UK Establishments and provision of an ongoing compliance service following registration.
- We will review your current tax status to ensure it has not changed.
- Assist with voluntary VAT registration if this would be beneficial to you.

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