

Newsletter

Bank of England statement on Central Bank Digital Currency

The Bank of England and HM Treasury have announced the joint creation of a Central Bank Digital Currency (CBDC) Taskforce to coordinate the exploration of a potential UK CBDC for use by households and businesses alongside cash and bank deposits.

A decision regarding the introduction of a CBDC in the UK has not been finalized yet, as further engagement is due to take place between stakeholders on the benefits, risks and practicalities of doing so.

The Taskforce aims to ensure a strategic and coordinated approach is adopted between the UK authorities as they explore CBDC, in line with their statutory objectives.

Find out more:

<https://www.bankofengland.co.uk/news/2021/april/bank-of-england-statement-on-central-bank-digital-currency>

JMSLG revises Trade Finance guidance and invites comment

The Joint Money Laundering Steering Group (JMSLG) has published proposed revisions to Sector 15 (Trade Finance) in Part II of its Guidance. The proposed revisions include further product definition with the inclusion of 'Demand Guarantees and Standby Letters of Credit', incorporation of latest FATF and OFSI (sanctions) developments.

JMSLG has invited interested parties to review and comment on the proposed revised text. Comments on the proposed revisions should be submitted by 18th June 2021.

Find out more:

<https://jmslg.org.uk/consultations/consultation-part-ii-sector-15/>

Finance Bill 2021 Progress

The Finance Bill 2021 ("Bill") seeks to enact the proposals for taxation made by the Chancellor of the Exchequer in the Budget 2021 statement and bring them into law. The Bill is currently at the Committee stage in the House of Commons.

For tax accounting purposes, the Budget 2021 measures can only be regarded as 'substantively enacted' under IFRS and UK GAAP once the Bill has passed the House of Commons and is awaiting passage through the House of Lords and Royal Assent. Importantly, for March 2021 year-end accounts that are prepared before the Bill has been 'substantively enacted', should not reflect the Budget 2021 rate changes or loss relief measures. However, any material effect of the proposed budgetary measures does need to be disclosed.

Find out more:

Contact us on henryirving@hansuke.co.uk if you would like to speak to our Deferred Tax Advisory experts

Forthcoming Event:

Managing tax evasion risks in the aftermath of FinCen leaks

In collaboration with ACAMS - Registration: <https://www.hansuke.co.uk/events-news-media>