

**FEES AND DECISION-MAKING (CANCELLATION OF PERMISSION)
INSTRUMENT 2021**

Powers exercised

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the following powers and related provisions:
- (1) in the Financial Services and Markets Act 2000 (“the Act”):
 - (a) section 137A (The FCA’s general rules);
 - (b) section 137T (General supplementary powers);
 - (c) section 139A (Power of the FCA to give guidance);
 - (d) section 213 (the compensation scheme);
 - (e) section 214 (General);
 - (f) paragraph 23 (Fees) of schedule 1ZA;
 - (g) section 137SA (money and pension service levy);
 - (h) section 137SB (devolved debt advice levy);
 - (i) section 333T (illegal money lending levy);
 - (j) section 395 (the FCA’s and the PRA’s procedures); and
 - (2) in regulations 206 (Meaning of “qualifying functions” in this Part) and 208 (Fees: Financial Conduct Authority) of the Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632).
- B. The rule-making provisions listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.
- C. The Financial Conduct Authority exercises the powers in sections 137SA, 137SB and 333T of the Act having carried out the consultations required by those provisions and with the consent of the Secretary of State with regard to section 137SA and the Treasury with regard to sections 137SB and 333T.

Commencement

- D. This instrument comes into force on 23 July 2021.

Amendments to the Handbook

- E. The Fees manual (FEES) is amended in accordance with Annex A to this instrument.
- F. The Decision Procedure and Penalties manual (DEPP) is amended in accordance with Annex B to this instrument.

Citation

- G. This instrument may be cited as the Fees and Decision-Making (Cancellation of Permission) Instrument 2021.

By order of the Board
22 July 2021

Annex A

Amendments to the Fees manual (FEES)

In this Annex, underlining indicates new text and striking through indicates deleted text.

4 Periodic fees

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4.3 Periodic fee payable by firms (other than AIFM qualifiers, ICVCs and UCITS qualifiers)

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Time of payment

4.3.6 R ...

- (3) If a *firm* has applied to cancel its *Part 4A permission* in the way set out in *SUP 6.4.5D (Cancellation of permission)*, or its status as a *payment institution* under regulation 10 of the *Payment Services Regulations (Cancellation of authorisation)* or as regulation 10 is applied by regulation 14 of the *Payment Services Regulations (Supplementary provisions)*, or its status as an electronic money issuer under regulation 10 of the *Electronic Money Regulations (Cancellation of authorisation)* or as regulation 10 is applied by regulation 15 of the *Electronic Money Regulations (Supplementary provisions)*, or its registration as a *CBTL firm* under article 13(c) of the *MCD Order* or its authorisation as a *data reporting services provider* under regulation 11 of the *DRS Regulations*, then ~~(1) and (2)~~ (1C), (1D) and (1E) do not apply but it must pay the total amount due when the application is made.
- (4) If the *FCA* has exercised its *own-initiative powers* to cancel a *firm's Part 4A permission*, then ~~(1) and (2)~~ (1C), (1D) and (1E) do not apply but the *firm* must pay the total amount due immediately before the cancellation becomes effective.
- (4A) If the *FCA* has cancelled a *firm's* authorisation or registration under regulation 10 of the *Payment Services Regulations* or regulation 10 of the *Electronic Money Regulations* or its registration under regulation 10 as applied by regulation 14 of the *Payment Services Regulations* or its registration under regulation 10 as applied by regulation 15 of the *Electronic Money Regulations*, or its registration under article 13 (except under article 13(c)) of the *MCD Order*, or its authorisation as a *data reporting services provider* under regulation 11 or 12 of the *DRS Regulations*, then ~~(1) and (2)~~ (1C), (1D) and (1E)

do not apply but the *firm* must pay the total amount due immediately before the cancellation becomes effective.

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(6) Paragraphs ~~(1)~~ and ~~(2)~~ (1C), (1D) and (1E) do not apply to any periodic fee in relation to a *firm's permission* for *operating a multilateral trading facility* or *operating an organised trading facility* and such a fee is not taken into account for the purposes of the split in ~~(1)~~ (1E). Instead any fee for this permission is payable:

- (a) on 1 August; or
- (b) 30 days from the date of the invoice in the case of a *firm* which receives *permission* to be *operating a multilateral trading facility* or to be *operating an organised trading facility* or whose *permission* is extended to include either activity in the course of the relevant financial year.

(7) Where the FCA grants a *person's* application for annulment of a cancellation or variation of Part 4A *permission* under Schedule 6A to the Act and the *person* falls within, as the case may be, (1C) or (2) and:

- (a) the annulment takes effect after 1 April or after the invoice referred to in (1E)(a)(ii) has been issued, then (1C), (1D) and (1E) do not apply, but the *person* must, where the annulment takes effect after 1 April but before 1 September, pay:
 - (i) an amount equal to 50% of the FCA periodic fee payable for the previous fee year on the date on which the annulment takes effect; and
 - (ii) the balance of the FCA periodic fee due for the current *fee year* by 1 September or, if later, within 30 days of the date of the invoice, in the *fee year* to which that sum relates; or
- (b) the annulment takes effect after 1 September or after the invoice referred to in (1E)(b)(ii) has been issued, then (1C), (1D) and (1E) do not apply, but the *person* must pay the total amount due on the date on which the annulment takes effect; or
- (c) the annulment takes effect after 1 August or after the invoice referred to in (2) has been issued, then (2) does not apply, but the *person* must pay the periodic fee in full on the date on which the annulment takes effect.

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Firms Applying to Cancel or Vary Permission Before Start of Period

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- 4.3.14 G The due dates for payment of periodic fees are modified by *FEES* 4.3.6R(3), *FEES* 4.3.6R(4), ~~and *FEES* 4.3.6R(4A)~~ and *FEES* 4.3.4R(7), respectively, where:
- (1) ...
 - (2) ...
 - (a) ...
 - (aa) power to annul the cancellation or variation of a person's Part 4A permission under Schedule 6A to the Act; or

...

...

...

Cancellation and variation of Part 4A permission under Schedule 6A

- 4.3.18 G The FCA will not refund periodic fees if, after the start of the period to which they relate, a person's Part 4A permission is cancelled under Schedule 6A or the person's Part 4A permission is varied, reducing its permission under Schedule 6A (but see FEES 2.3 (Relieving Provisions)).

Effect on periodic fees of annulment of cancellation or variation of permission under Schedule 6A

- 4.3.19 G Schedule 6A to the Act sets out a procedure to enable the FCA to cancel or vary the Part 4A permission of a person who it appears to the FCA is not carrying on a regulated activity. Paragraph 5 of Schedule 6A to the Act sets out a procedure for annulment of cancellation or variation of Part 4A permission in specified circumstances. It is for the FCA to decide whether it is just and reasonable to annul the decision to cancel a person's permission or vary the permission to reduce its scope. Where the FCA grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of Part 4A permission is treated as if it had never taken place. As a result of annulment, the periodic fees for the period during which the person's Part 4A permission was cancelled or varied apply to the person.

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4.4 Information on which fees are calculated

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- 4.4.6 R ...
- 4.4.6A R Where the FCA grants a person's application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and on the date the annulment has effect the date for notification to the FCA referred to in FEES 4.4.2R of the information on which a person's periodic fee is calculated has passed, the date for compliance referred to in FEES 4.4.2R does not apply, but the person must comply with FEES 4.4.1R and FEES 4.4.2R within 2 months after the date on which the annulment takes effect.
- ...
- 4A Temporary Permissions Regime (TPR) and Financial Service Contracts Regime (FSCR) – periodic fees**
- ...
- 4A.2 Obligation to pay periodic fees**
- ...
- 4.2.2 R ...
- 4A.2.2A R Where the FCA grants a person's application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and the person falls within FEES 4A.2.1R and on the date the annulment has effect the date for payment specified in FEES 4.2.1R has passed, then that date for payment does not apply, but the person must pay the periodic fees applicable to it on the date on which the annulment takes effect.
- 4A.2.2B R Where the FCA grants a person's application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and the person falls within FEES 4A.2.2R and:
- (1) the annulment takes effect after 1 April, or after the invoice referred to in FEES 4A.2.2(1) has been issued, then the date for payment in FEES 4A.2.2R(1) does not apply, but the person must, where the annulment takes effect after 1 April but before 1 September, pay:
 - (a) an amount equal to 50% of the FCA periodic fee payable for the previous year on the date on which the annulment takes effect; and
 - (b) the balance of the FCA periodic fee due for the current financial year by 1 September or, if later, within 30 days of the date of the invoice, in the financial year to which that sum relates; or
 - (2) the annulment takes effect after 1 September or after the invoice referred to in FEES 4A.2.2R(2) has been issued, then the date for payment in FEES 4A.2.2R(2) does not apply, but the person must pay

the total periodic fee due for the current *financial year*, on the date on which the annulment takes effect.

...

4A.2.4 R ...

4A.2.4A G Schedule 6A to the Act sets out a procedure to enable the FCA to cancel or vary the Part 4A permission of a person who it appears to the FCA is not carrying on a regulated activity. Paragraph 5 of Schedule 6A to the Act sets out a procedure for annulment of cancellation or variation of Part 4A permission in specified circumstances. It is for the FCA to decide whether it is just and reasonable to annul the decision to cancel a person's permission or vary the permission to reduce its scope. Where the FCA grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of Part 4A permission is treated as if it had never taken place. As a result of annulment, the periodic fees for the period during which the person's Part 4A permission was cancelled or varied apply to the person.

...

4A.2.8 R ...

4A.2.8A R Where the FCA grants a person's application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and on the date the annulment takes effect the date for notification to the FCA referred to in FEES 4A.2.6R of the information on which a person's periodic fee is calculated has passed, the date for compliance referred to in FEES 4A.2.6R does not apply, but the person must comply with FEES 4A.2.5R and FEES 4A.2.6R within 2 months after the date on which the annulment takes effect.

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5 Financial Ombudsman Service Funding

5.1 Application and Purpose

Application

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5.1.6B G If, after the start of the period to which the general levy relates, a person's Part 4A permission is cancelled under Schedule 6A or the person's Part 4A permission is varied reducing its permission under Schedule 6A, the person will not receive a refund of their general levy, except in exceptional circumstances.

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5.3 The general levy

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5.3.10 R ...

5.3.11 G Schedule 6A to the Act sets out a procedure to enable the FCA to cancel or vary the Part 4A permission of a person who it appears to the FCA is not carrying on a regulated activity. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of Part 4A permission in specified circumstances. Where the FCA grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of Part 4A permission is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, the general levy and any other levy provided for under this chapter applicable to the person, in relation to the period during which the person's Part 4A permission was cancelled or varied apply to the person, unless the exemption in FEES 5.1.4R applies.

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5.4 Information requirement

5.4.1 R (1) ...

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(6) Where the FCA grants a person's application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and on the date the annulment takes effect the time for providing information in this rule has passed, then that time for compliance does not apply, but a person must comply with this rule on the date on which the person's annulment takes effect.

...

5.7 Payment

5.7.1 R ...

5.7.1A R Where the FCA grants a person's application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and on the date the annulment takes effect the time for payment in FEES 5.7.1R has passed, then that time for payment in that rule does not apply, but a person must pay to the FCA the general levy on the date on which the person's annulment takes effect.

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5.9 ~~Leaving the Financial Ombudsman Service [deleted]~~

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6 Financial Services Compensation Scheme Funding

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6.2 Exemption

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6.2.6 R (1) If a *participant firm* ceases to conduct business that could give rise to a *protected claim* by an *eligible claimant* and notifies the *FSCS* of this under *FEES* 6.2.1AR, it will be treated as a *participant firm* to which *FEES* 6.7.6R applies until the end of the *financial year* of the *compensation scheme* in which the notice was given.

(2) Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and when the *Part 4A permission* was cancelled or varied the *person* ceased to conduct business that could give rise to a *protected claim* by an *eligible claimant*, it will be treated as a *participant firm* to which *FEES* 6.7.6R applies until the end of the *financial year* of the *compensation scheme* in which the *person's Part 4A permission* was cancelled or varied (but for the annulment).

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6.2.8 R ...

6.2.8A R Where the *FCA* grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and when the *person's Part 4A permission* was cancelled or varied the *person* was exempt by virtue of *FEES* 6.2.1AR, the *person* remains exempt provided that the conditions in that rule (apart from notification to the *FCA*) apply for the financial year of the *compensation scheme* in question.

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6.3 The FSCS's power to impose levies

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6.3.26 G ...

Effect of annulment of cancellation or variation of permission under Schedule 6A on levies

6.3.27 G Schedule 6A to the *Act* sets out a procedure to enable the *FCA* to cancel or vary the *Part 4A permission* of a *person* who it appears to the *FCA* is not carrying on a *regulated activity*. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of *Part 4A permission* in specified circumstances. Where the *FCA* grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the

cancellation or variation of *Part 4A permission* is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, any levy provided for under this chapter applicable to the *person*, in relation to the period during which the *person's Part 4A permission* was cancelled or varied, applies to the *person*, unless the exemption in FEES 6.2.1AR applies.

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6.5 Compensation costs

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Reporting requirements

6.5.13 R (1) ...

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(3) ~~Where the FCA grants a *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and on the date the annulment takes effect the time for providing the statement in (1) has passed, then the requirement to have provided the statement does not apply, but a *person* must comply with (1) and (2), by providing the statement to the *FCA* on the date on which the *person's* annulment takes effect.~~

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6.7 Payment of levies

Payments on account by certain firms

6.7.-1 R ...

6.7.-1A R Where the *FCA* grants the *person's* application for annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* and the *person* falls within FEES 6.7.-1R and:

(1) the annulment takes effect after 1 April, then the date for payment referred to in FEES 6.7.-1R(1) does not apply, but the *person* must, where the annulment takes effect after 1 April but before 1 September, pay:

(a) on the date on which the annulment takes effect, an amount equal to 50%, or such lower percentage as the *FSCS* may determine, of the *participant firm's* share of the *annual levy* payable for the previous *financial year* of the *compensation scheme*; and

(b) by 1 September, the balance of the *annual levy* due from the *participant firm* for the current *financial year* of the *compensation scheme year*; or

(2) the annulment takes effect after 1 September, then the date for payment referred to in *FEES 6.7.-1R(2)* does not apply, but the *person* must pay the total amount due on the date on which the annulment takes effect.

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Firms ceasing to be a participant firm

6.7.6 R ...

6.7.7 R *FEES 6.7.6R* does not apply in relation to a *person* to whom the *FCA* grants an annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act*.

6.7.8 G The effect of annulment of a cancellation or variation of *Part 4A permission* under Schedule 6A to the *Act* is that the cancellation or variation of *Part 4A permission* is treated as if it had not taken place and the *person* is liable for any levies which relate to the period prior to the annulment. See further guidance in *FEES 4.3.19G*.

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7A SFGB levies

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7A.2 The SFGB levy

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7A.2.2 G Schedule 6A to the *Act* sets out a procedure to enable the *FCA* to cancel or vary the *Part 4A permission* of a *person* who it appears to the *FCA* is not carrying on a *regulated activity*. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of *Part 4A permission* in specified circumstances. Where the *FCA* grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of *Part 4A permission* is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, any part of the *SFGB levy* applicable to the *person*, in relation to the period during which the *person's Part 4A permission* was cancelled or varied, applies to the *person*.

7A.3 The SFGB money advice levy and debt advice levy

Obligation to pay money advice levy or debt advice levy

7A.3.1 R ...

7A.3.1A R Where the FCA grants a person’s application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and the person falls within FEES 7A.3.1R and the annulment takes effect after 1 August or after the invoice referred to in FEES 7A.3.1R(2) has been issued, then the date for payment referred to in FEES 7A.3.1R(2) does not apply, but the person must pay the SFGB money advice levy or SFGB debt advice levy applicable to it in full and without deduction, on the date on which the annulment takes effect.

...

7A.3.10 R ...

FEES 4 rules incorporated into FEES 7A	Description
...	...
FEES 4.4.1R to FEES 4.4.6R <u>FEES 4.4.6AR</u>	Information on which fees are calculated

...

7A.4 The SFGB pensions guidance advice levy

Obligation to pay SFGB pensions guidance levy

7A.4.1 R ...

7A.4.1A R Where the FCA grants a person’s application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and the person falls within FEES 7A.4.1R and the annulment takes effect after 1 August or after the invoice referred to in FEES 7A.4.1R(1) has been issued, then the date for payment referred to in FEES 7A.4.1R(1) does not apply, but the person must pay the SFGB pensions guidance levy applicable to it in full and without deduction, on the date on which the annulment takes effect.

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7A.4.11 R ...

FEES 4 incorporated into FEES 10	Description	Modifications
...
FEES 4.4.1R to FEES 4.4.6R <u>FEES 4.4.6AR</u>	Information on which fees are calculated	None

...

7B The DA levy

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7B.2 The DA levy

Obligation to pay DA levy

7B.2.1 R ...

7B.2.1A G Schedule 6A to the Act sets out a procedure to enable the FCA to cancel or vary the Part 4A permission of a person who it appears to the FCA is not carrying on a regulated activity. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of Part 4A permission in specified circumstances. Where the FCA grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of Part 4A permission is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, the DA levy in relation to the period during which the person’s Part 4A permission was cancelled or varied applies to the person.

7B.2.1B R Where the FCA grants a person’s application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and the person falls within FEES 7B.2.1R and the annulment takes effect after 1 August or after the invoice referred to in FEES 7B.2.1R(2) has been issued, then the date for payment referred to in FEES 7B.2.1R(2) does not apply, but the person must pay the DA levy applicable to it in full and without deduction, on the date on which the annulment takes effect.

...

7B.2.7 R ...

FEES 4 rules incorporated into FEES 7B	Description
...	...
FEES 4.4.1R to FEES 4.4.6R <u>FEES 4.4.6AR</u>	Information on which fees are calculated

...

7C Temporary Permissions Regime (TPR) and Financial Service Contracts Regime (FSCR) - Single Financial Guidance Body levy

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7C.2 The TPR SFGB levy

- 7C.2.1 R ...
- 7C.2.2 G Schedule 6A to the Act sets out a procedure to enable the FCA to cancel or vary the Part 4A permission of a person who it appears to the FCA is not carrying on a regulated activity. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of Part 4A permission in specified circumstances. Where the FCA grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of Part 4A permission is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, any part of the TPR SFGB levy applicable to the person, in relation to the period during which the person's Part 4A permission was cancelled or varied, applies to the person.
- 7C.3 The TPR SFGB money advice levy and debt advice levy**
- Obligation to pay TPR SFGB money advice levy or debt advice levy
- ...
- 7C.3.2 R ...
- 7C.3.2A R Where the FCA grants a person's application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and the person falls within FEES 7C.3.1R and the annulment takes effect after 1 August or after the invoice referred to in FEES 7C.3.1R(1), then the date for payment referred to in FEES 7C.3.1R(1) does not apply, but the person must pay the TPR SFGB money advice levy or TPR SFGB debt advice levy applicable to it in full and without deduction, on the date on which the annulment takes effect.
- 7C.3.2B R Where the FCA grants a person's application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and the person falls within FEES 7C.3.2R and:
- (1) the annulment takes effect after 1 April or after the invoice referred to in FEES 7C.3.2R(1) has been issued, then the date for payment referred to in FEES 7C.3.2R(1) does not apply, but the person must, where the annulment takes effect after 1 April but before 1 September, pay:
- (a) an amount equal to 50% of the TPR SFGB money advice levy or TPR debt advice levy payable for the previous year on the date on which the annulment takes effect; and
- (b) the balance of the TPR SFGB money advice levy or TPR debt advice levy due for the current financial year by 1 September or, if later, within 30 days of the date of the invoice, in the financial year to which that sum relates; or

- (2) the annulment takes effect after 1 September or after the invoice referred to in FEES 7C.3.2(2) has been issued, then the date for payment referred to in FEES 7C.3.2R(2) does not apply, but the person must pay the total TPR SFGB money advice levy or TPR debt advice levy due for the current financial year, on the date on which the annulment takes effect.

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7C.4 The TPR SFGB pensions guidance advice levy

Obligation to pay TPR SFGB pensions guidance levy

7C.4.1 R ...

7C.4.1A R Where the FCA grants a person's application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and the person falls within FEES 7C.4.1R and the annulment takes effect after 1 August or after the invoice referred to in FEES 7C.4.1R(1), then the date for payment referred to in FEES 7C.4.1R(1) does not apply, but the person must pay the TPR SFGB pensions guidance levy applicable to it in full and without deduction, on the date on which the annulment takes effect.

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7D Temporary Permissions (TPR) – Devolved Authorities levy

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7D.2 The TPR DA levy

Obligation to pay TPR DA levy

7D.2.1 R ...

7D.2.1A G Schedule 6A to the Act sets out a procedure to enable the FCA to cancel or vary the Part 4A permission of a person who it appears to the FCA is not carrying on a regulated activity. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of Part 4A permission in specified circumstances. Where the FCA grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of Part 4A permission is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, the TPR DA levy in relation to the period during which the person's Part 4A permission was cancelled or varied applies to the person.

7D.2.1B R Where the FCA grants a person's application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and the person falls within FEES 7D.2.1R and the annulment takes effect after 1 August or after the invoice referred to in FEES 7D.2.1R(1) has been issued, then the date for payment referred to in FEES 7D.2.1R(1) does not apply,

but the *person* must pay the *TPR DA levy* applicable to it in full and without deduction, on the date on which the annulment takes effect.

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13 Illegal money lending levy

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13.2 The IML levy

Obligation to pay the IML levy

13.2.1 R ...

13.2.1A G Schedule 6A to the Act sets out a procedure to enable the FCA to cancel or vary the Part 4A permission of a person who it appears to the FCA is not carrying on a regulated activity. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of Part 4A permission in specified circumstances. Where the FCA grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of Part 4A permission is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, the IML levy in relation to the period during which the person's Part 4A permission was cancelled or varied applies to the person.

13.2.1B R Where the FCA grants a person's application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and the person falls within FEES 13.2.1R and the annulment takes effect after 1 August or after the invoice referred to in FEES 13.2.1R(1) has been issued, then that date for payment does not apply, but the person must pay the IML levy applicable to it in full and without deduction, on the date on which the annulment takes effect.

...

13.2.9 R ...

FEES 4 rules incorporated into FEES 13	Description
...	...
FEES 4.4.1R to FEES 4.4.6R <u>FEES 4.4.6AR</u>	Information on which fees are calculated

...

13A Temporary Permissions Regime (TPR) and Financial Service Contracts Regime (FSCR) – Illegal money lending levy

...

13A.2 Obligation to pay the IML levy

13A.2.1 R ...

13A.2.1 G Schedule 6A to the Act sets out a procedure to enable the FCA to cancel or vary the Part 4A permission of a person who it appears to the FCA is not carrying on a regulated activity. Paragraph 5 of that schedule sets out a procedure for annulment of cancellation or variation of Part 4A permission in specified circumstances. Where the FCA grants an application for annulment, paragraph 6 of Schedule 6A sets out its effect. In particular, the cancellation or variation of Part 4A permission is treated as if it had never taken place. As a result of the effect of annulment under Schedule 6A, the TPR IML levy in relation to the period during which the person's Part 4A permission was cancelled or varied applies to the person.

13A.2.1 R Where the FCA grants a person's application for annulment of a cancellation or variation of Part 4A permission under Schedule 6A to the Act and the person falls within FEES 13A.2.1R and the annulment takes effect after 1 August or after the invoice referred to in FEES 13A.2.1R(1) has been issued, then the date for payment referred to in FEES 13A.2.1R(1) does not apply, but the person must pay the TPR IML levy applicable to it in full and without deduction, on the date on which the annulment takes effect.

Annex B

Amendments to the Decision Procedure and Penalties manual (DEPP)

In this Annex, underlining indicates new text and striking through indicates deleted text.

2 Statutory notices and the allocation of decision making

...

2 Annex 1 Warning notices and decision notices under the Act and certain other enactments

...

Section of the Act	Description	Handbook reference	Decision maker
...
Paragraph 19(8)/ (12) of Schedule 3	[deleted]		
<u>Paragraph 5(6) of Schedule 6A</u>	<u>when the FCA is proposing to refuse to annul a decision to exercise its additional own-initiative variation power*</u>		<u>RDC</u>
<u>Paragraph 5(7) of Schedule 6A</u>	<u>when the FCA is deciding to refuse to annul a decision to exercise its additional own-initiative variation power*</u>		<u>RDC</u>