



Isle of Man
Government

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Department of Home Affairs

Rheynn Cooishyn Sthie

CONSULTATION ON THE *DRAFT* PROCEEDS OF CRIME BILLS 2025

February 2025

INTRODUCTORY STATEMENT BY THE MINISTER



I am pleased to bring forward a consultation on three separate *draft* Proceeds of Crime Bills, namely the:

- *draft* Proceeds of Crime (Miscellaneous Amendments) Bill 2025;
- *draft* Proceeds of Crime (Amendment) (Forfeiture of Money held in Bank and Building Society Accounts) Bill 2025; and,
- *draft* Proceeds of Crime (Amendment) (Unexplained Wealth Orders) Bill 2025.

The economic and fiscal stability of the Island is key to its future success, as is our ability to continue to be part of the wider world of respected financial jurisdictions. Part of the vision of [Our Island Plan](#) is to secure a "Strong and Diverse Economy" where we are "*....meeting or exceeding global standards, maintaining and enhancing our reputation as an internationally responsible and increasingly sustainable jurisdiction.*"

The [Proceeds of Crime Act 2008 \("2008 Act"\)](#) is the single most important piece of legislation in the Island's Anti-Money Laundering and Countering the Financing of Terrorism ("AML/CFT") regime. It is based on the England and Wales equivalent, the [Proceeds of Crime Act 2002 \(an Act of Parliament\)](#). However, unlike England and Wales' version, the Island's 2008 Act has not been significantly updated to meet changing international standards and creation of new technology and products. In particular for example, the emergence of crypto-assets.

Therefore, the Department, with support from the Cabinet Office, is proposing improvements that might be made to the Island's 2008 Act, and takes the form of three separate Bills, one a general consistency improvement of the 2008 Act, and the remaining two, targeted amendments relating to key areas of the AML/CFT regime.

It is critical that such improvements are brought forward now, alongside the Cabinet Office's coordination of the delivery of the Government's commitment in Our Island Plan, to prepare the Island for its next [AML/CFT Mutual Evaluation](#) set to be undertaken by the Council of Europe's [Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism \("MONEYVAL"\)](#).

The Department is committed to open public consultation, and any proposed changes will only be made following careful and considered engagement with key stakeholders and interested parties. We want your input so that we can understand your views, and how they might shape the proposed changes.

In light of the above, I would encourage you to take the time to read the consultation document and to let us know your views.

Thank you.

A handwritten signature in blue ink that reads "Jane Poole-Wilson".

Hon Jane Poole-Wilson, MHK
Minister for Justice and Home Affairs
February 2025

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WHY WE ARE CONSULTING

1. Overview

The Department of Home Affairs is undertaking public consultation on three separate *draft* Proceeds of Crime Bills, namely the:

- *draft* Proceeds of Crime (Miscellaneous Amendments) Bill 2025;
- *draft* Proceeds of Crime (Amendment) (Forfeiture of Money held in Bank and Building Society Accounts) Bill 2025; and,
- *draft* Proceeds of Crime (Amendment) (Unexplained Wealth Orders) Bill 2025.

Prior to this consultation, the Cabinet Office has supported the Department by undertaking targeted consultation with all relevant government departments and industry representative groups who were canvassed for any proposed amendments to the 2008 Act. Additionally, at Appendix 1 there is a list of those bodies and organisations who have been directly provided with this consultation.

These suggestions were carefully considered and those identified as suitable for progression were considered by the [Financial Crime Strategic Board](#) and included in these *draft* Bills as the most the appropriate options to be consulted on.




The proposed content of the three *draft* Bills would bring the Island into closer alignment with the provisions of England and Wales' [Proceeds of Crime Act 2002 \(an Act of Parliament\)](#).

2. Consultation materials

This written consultation commences on 13/02/2025 and will run for a period of 6 weeks.

Responses to the consultation must be submitted by midnight on the 27/03/2025.

Responses to the consultation can be –

-  made via the questionnaire on the Consultation Hub at www.consult.gov.im;
-  submitted via email to GeneralEnquiries.DHA@gov.im; or
-  posted to –

Shelley Walker, Administration and Policy Manager
DHA Headquarters Building
Tromode Road, Douglas, Isle of Man, IM2 5PA

If you are responding by email or post then please include the following details:

- your name;
- the address to which we can reply to you (email or postal);

- whether you are responding for yourself or on behalf of a business or organisation.

3. Existing Legislation

3.1 Present framework

The current [Proceeds of Crime Act 2008](#) has been amended periodically either by way of small amendments contained within other primary instruments, or, in a more targeted manner by Order. Usually where such an amendment is made under section 222A of the 2008 Act, it is to meet relevant international obligations or standards, or the recommendations, of international bodies that are involved with the adoption, monitoring or promotion of such obligations or standards.

In recent times this mechanism of change by Order has been most notably used in connection with the introduction of the [Travel Rule \(Transfer of Virtual Assets\) Code 2024](#), and the package of measures associated with that Code, the bulk of which were progressed at [the October 2024 sitting of Tynwald](#).

[Significant changes were made to the 2008 Act in December 2019](#), again by the mechanism of various Orders, made in relation to disclosures provisions, usually more colloquially referred to as “[tipping off](#)”. These Orders brought enhancements that were needed to comply with [Financial Action Task Force \(“FATF”\)](#) recommendations.

THE CONSULTATION

4. Consultation overview

Below we have summarised an overview of the content of each Bill, and a separate targeted questionnaire in relation to each Bill is launched, depending on preference indicated as respondents begin to complete the consultation survey on the Consultation Hub, where you can give your views by clicking on the “Online Survey” link.

We would encourage consultees to consider each question they are presented with and make any comments or suggestions within the consultation response questionnaire. Additional space is provided in which consultees can make general comments which do not directly correspond to the proposals made.

A detailed summary of responses to this consultation will be produced and provided on the Consultation Hub in the weeks following the conclusion of this consultation. This will allow the Department to consider the responses and provide “We asked, You said, We did” commentary.

For the full contents of this consultation please use the index to this consultation found on page 3.

5. The *draft* Bills: a detailed summary

5.1 Draft Proceeds of Crime (Miscellaneous Amendments) Bill 2025

The purpose of these proposed amendments to the Proceeds of Crime Act 2008 (“the 2008 Act”) is to ensure that Isle of Man law enforcement agencies have the full range of powers required to enable them to help prevent money laundering or the financing of terrorism, and to ensure that the assets from crimes such as corruption are not connected to or deposited in the Island.

There is one overall scope change whereby the 2008 Act is amended to modernise its provisions. This involves changing references such as those relating to financial accounts to terms which encompass the terms used in the “crypto-world”, such as “wallets” and “virtual assets”; this harmonises with recent changes brought in connection with the Travel Rule (Transfer of Virtual Assets) Code 2024¹. See sections 65, 132, 158, 197 and 218.

Changes are also proposed to the way the legislation references Police and Customs Officers, expanding these definitions to cover their civilian colleagues. Now that modern practices involve the wider use of civilian analysts and investigators this seems to be a sensible and practical approach, therefore see sections 44, 100, 69 to 70 and 210 to 211 (and a small harmonisation at section 213) where insertion of the terminology including “a person authorised for the purpose by the Attorney General or the Chief Constable” (or in the case of sections 210, 211 and 213, “a financial investigator”) is made.

Other proposed changes would be made to time limits and threshold amounts to reflect evolving processes. All proposed changes falling within this range are with the aim of bringing the Act more up to date with current processes, and ensuring the consistent and harmonised use of language.

A final specific scope change is proposed with regards to the making of confiscation orders, and the determination of a defendant’s interest in property.

Amendments are proposed to section 87 and 88, that closely link to section 66 *Making of confiscation order*. Sections 87 and 88 as amended continue to relate to circumstances where a defendant absconds, either after conviction in proceedings in the Court of General Gaol Delivery, or on committal to the Court of General Gaol Delivery², and set out the relevant processes that apply following such an abscondment. As part of the proposed changes, at subsection 88(2), the period of time that must have elapsed prior to proceedings under section 66 progressing, is to be adjusted to 3 months (from the present, 2 years). Additionally, section 87, as amended with fresh wording, will extend to circumstances where the defendant dies after conviction.

Furthermore, a proposed new section 70A *Determination of extent of a defendant’s interest in property* is proposed within Part 2 at under the header *of Confiscation orders* and relates to the process to be followed by the court making a confiscation order, where the property is held by the defendant and will require to be realised or otherwise used, to satisfy the confiscation order. Additional

¹ See section 3.1 above

² In particular, in connection with section 118 of the 2008 Act, or section 17 of the Summary Jurisdiction Act 1989, respectively,

proposed amendments are found to section 106 (where a new subsection 9A is proposed) that cross reference the new section 70A.

Changes are also proposed to sections 142 to 144 relating to the making of disclosures, placing a positive obligation upon persons who have formed a suspicion of money laundering to report those suspicions to the Financial Intelligence Unit ("FIU").

One further specific scope change is to increase the threshold amount for exemption for various offences at section 156 in the 2008 Act, from £250 to £1,000, the terminology in use in that section is also proposed to be amended to that conducted by a "business in the regulated sector", rather than by a "deposit taking body", better harmonising with other provisions of the 2008 Act. That same scope change with adjustment by reference to "business in the regulated sector", is also made elsewhere at sections 139 to 141 and sections 180 to 181 and 183 to 184. An amendment is proposed to section 199 which would then bridge the changes in terminology for such organisations.

Finally, changes are proposed at sections 215, 216 and 222A that would see the authorising authority for statutory instruments made under those sections change from the Council of Ministers to the Department of Home Affairs. Additionally, in relation to an Order made under the current subsection 222A(1), it is proposed that the present "twofold" approval process found at section 222A(5)(b), in accordance with which, prior to making, a draft of any proposed Order under subsection 222A(1) must be laid in *draft* before a sitting of Tynwald, and then approved in *draft* at subsequent sitting of Tynwald, will be replaced with the Tynwald approval process³. These amendments are proposed for ease of process and for speed in reaction to international requests for assistance and to international bodies such as MONEYVAL and FATF.

Additionally, sections 36 and 37 of the Bill propose that Part 3 and, by proposed amendment, Part 4 of the 2008 Act will apply to both the [Anti-Money Laundering and Countering the Financing of Terrorism Code 2019](#) and the [Gambling \(Anti-Money Laundering and Countering the Financing of Terrorism\) Code 2019](#) creating a clear cross reference between Parts 3 and 4 of the 2008 Act, and the definition of "AML/CFT legislation". This extension of the application of these Parts within these Codes at this time is seen as necessary to strengthen against any perceived deficiency, given that these Codes are not planned for amendment prior to the upcoming MONEYVAL inspection, yet the update would be beneficial being as the Codes themselves are key cornerstones of the AML/CFT regime.

5.2 *draft* Proceeds of Crime (Amendment) (Forfeiture of Money held in Bank and Building Society Accounts) Bill 2025

The purpose of these proposed amendments is the same as that of those proposed in the Proceeds of Crime (Miscellaneous Amendments) Bill 2025, namely, that the Island's law enforcement officers have the full range of powers required to enable them to help prevent money laundering or the financing of terrorism, and to ensure that the assets from crimes such as corruption are not connected to or deposited in the Island.

One overall scope change is proposed whereby the 2008 Act would be amended by inserting fresh provisions within a new Chapter 3A, regarding the freezing and restraining of criminal assets in bank and building society accounts. This would address a deficiency in the 2008 Act paralleling such

³ As per section 30 of the [Legislation Act 2015](#)

provisions as are already found in the [Proceeds of Crime Act 2002 \(an Act of Parliament\)](#), with the proposed Bill drafted based on those England and Wales provisions which have been suitably adjusted for the Island.

5.3 draft Proceeds of Crime (Amendment) (Unexplained Wealth Orders) Bill 2025

The purpose of these proposed amendments is the same as that of those proposed in the Proceeds of Crime (Miscellaneous Amendments) Bill 2025, namely, that the Island's law enforcement officers have the full range of powers required to enable them to help prevent money laundering or the financing of terrorism, and to ensure that the assets from crimes such as corruption are not connected to or deposited in the Island.

One overall scope change is proposed that would see the insertion of fresh provisions at Chapter 2 in the 2008 Act, comprised of new sections 179A to 179U, relating to the issue and operation of Unexplained Wealth Orders, and fresh section 195A to support use of these Orders.

An Unexplained Wealth Order (UWO) is an information gathering tool proposed to be brought into use on the Island, paralleling such provisions as are already found in the [Proceeds of Crime Act 2002 \(an Act of Parliament\)](#), with the proposed Bill drafted based on those England and Wales provisions.

An Unexplained Wealth Order (UWO) requires a person who is a Politically Exposed Person (PEP) or reasonably suspected of involvement in, or of being connected to a person involved in, serious crime, to explain the origin of "property" (i.e. assets) (minimum combined value of £50,000) that appear to be disproportionate to their known lawfully obtained income. The term PEP is defined in more detail both within the proposed sub-section 179B(7), and by the [Financial Action Task Force \("FATF"\)](#)⁴ In brief a PEP is someone who, through their prominent position or influence, is more susceptible to being involved in bribery or corruption e.g. those within either a foreign or domestic government holding a prominent public function such as senior politicians or senior government officials. In addition, any close business associate or family member of such a person will also be deemed as being a risk, and therefore requirements in relation to PEPs would also apply to these individuals.

The use of an UWO, when a court is satisfied that there is a need for such an Order to be made, compels the person who is the subject of the UWO to provide details as to their precise interest in any "property" (i.e. assets)⁵. A UWO is not (by itself) a power to recover assets. However, any response from a UWO can be used in subsequent civil recovery proceedings. A failure to respond will mean that the assets can be made subject to civil recovery action under other provisions in the 2008 Act. A person can also be found guilty of an offence if they provide false or misleading information in response to an UWO.

The desired outcome of these amendments is to strengthen the AML/CFT regime to enable law enforcement to take more effective action against kleptocrats, corrupt elites and serious and organised criminals who seek to launder their funds in the Island. In turn, this will lead to greater prospects of the recovery of assets bought with the proceeds of serious and organised crime, and particularly corruption.

⁴ <https://www.fatf-gafi.org/en/pages/fatf-glossary.html#accordion-a13085a728-item-054eacaff0>

⁵ Reference should be made to section 132 which defines the term "property" within general provisions of the Act.

5.4 "As amended" version of the Proceeds of Crime Act 2008

For the ease of reference of consultation respondents, an "as amended" copy of the Proceeds of Crime Act 2008 has been prepared and can be downloaded alongside the copies of the above Bills.

Within this as amended copy of the 2008 Act, amendments proposed to be made by the:

- Proceeds of Crime (Miscellaneous Amendments) Bill 2025 appear in red;
- Proceeds of Crime (Amendment) (Forfeiture of Money held in Bank and Building Society Accounts) Bill 2025 appear in green; and,
- Proceeds of Crime (Amendment) (Unexplained Wealth Orders) Bill 2025 appear in blue.

5.5 Summary of Responses

Following consultation on the above Bills, the Department will, as set out in section 4 to this document, produce a Summary of Responses, and look to finalise copies of the *draft* Bills ready for entry to the legislative branches.

6. Confidentiality

You are not required to provide any of your personal information to complete this consultation. Should you wish to provide your personal information, please note that if you select "Publish in full", your name, organisation and answers to the questions will be published on the Consultation Hub. Your email will not be published.

If you select "Publish anonymously" or "Do not publish", none of your personal information will be published on the Consultation Hub. What this means:

- Publish in full – your first name and surname, organisation name, along with full answers **will** be published on the Consultation Hub (your email will **not** be published)
- Publish anonymously – only your responses **will** be published on the Consultation Hub (your name, organisation and email will **not** be published)
- Do not publish – **nothing will** be published publicly on the Consultation Hub (your response will only be part of a larger summary response document)

The collection and processing of your personal information in relation to this consultation are done so on the basis of your consent (Article 6(1)(a) of the Applied GDPR). Should you wish to withdraw your consent at any time, please contact the Department, after which your personal information will be deleted from the dataset within one calendar month.

Please note that the responses we receive will be carefully considered. Further refinement of the layout and content of the Bills may be undertaken in light of the responses to the consultation.

Further information about the Isle of Man Government Consultation principles and guidance on these can be found here: <https://www.gov.im/consultation>

7. Reasonable adjustments and alternative formats

The Department is committed to equal opportunities and our aim is to make our documents easy to use and accessible to all.

We will take steps to accommodate any reasonable adjustments and provide such assistance as you may reasonably require to enable you to access or reply to this consultation.

If you would like to receive this document in another format or need assistance with accessing or replying to this consultation, please email GeneralEnquiries.DHA@gov.im or telephone (01624) 694300.

8. Storage of personal data

The Department will ensure that data is only retained and used in accordance with GDPR rules.

For more information regarding GDPR, visit <https://www.gov.im/about-the-government/data-protectiongdpr-on-the-isleof-man/>.

All responses submitted will be held within the Isle of Man Government's Consultation Hub and will be treated in accordance with the privacy policy.

9. What happens next?




We will review results from the consultation which will be used to inform the final version of the Bills.

If in making your response via the Hub you have indicated that you are happy to be contacted then we may liaise further with respondents as necessary.

A consultation summary will be produced and made available on the Consultation Hub.

10. Any questions?

Any comments or questions about the consultation should be sent to GeneralEnquiries.DHA@gov.im or:

-  made via the questionnaire on the Consultation Hub at www.consult.gov.im;
-  submitted via email to GeneralEnquiries.DHA@gov.im; or
-  posted to –

Shelley Walker
Administration and Policy Manager
DHA Headquarters Building
Tromode Road
Douglas
Isle of Man
IM2 5PA.

11. CONSULTATION SURVEY

No.	Title	Questions	Comments from respondent
1	<i>Draft Proceeds of Crime (Miscellaneous Amendments) Bill 2025</i>	<p>Do you have any specific comments in connection with the changes proposed around the “crypto-world” terminology?</p> <p>See sections 65, 132, 158, 197 and 218.</p>	
		<p>Do you have any specific comments around changes proposed to the way the legislation references Police and Customs Officers, and their expansion to include civilian investigators.</p> <p>See sections 44, 100, 69 to 70 and 210 to 211 (and a small harmonisation at section 213).</p>	
		<p>Do you have any specific comments in connection with changes proposed in relation to confiscation orders or determination of a defendant’s interest in property?</p> <p>See section 70A and sections 87 and 88 and 106 (where a new subsection 9A is proposed).</p>	
		<p>Do you have any specific comments in connection with the changes proposed around the making of disclosures, placing a positive obligation upon persons who have formed a suspicion of money laundering to report those suspicions to the Financial Intelligence Unit (“FIU”).</p> <p>See sections 142 to 144.</p>	

No.	Title	Questions	Comments from respondent
		<p>Do you have any specific comments in connection with the changes proposed around the increase the threshold level for exemption for various offences at section 156 in the 2008 Act, from £250 to £1,000 or the terminology in use in that section which is also proposed to be amended throughout the 2008 Act to that conducted by a “business in the regulated sector”</p> <p>See sections 139 to 141, 156, 180 to 181, 183 to 184, and section 199.</p>	
		<p>Do you have any specific comments in relation to the changes proposed at sections 215, 216 and 222A that would see the authorising authority for statutory instruments made under those sections change from the Council of Ministers to the Department of Home Affairs, and the approval process for Orders under section 222A(1) be Tynwald procedure - Approval.</p>	
		<p>Do you have any specific comments in relation to the changes proposed at sections 36 and 37 of the Bill in relation to the Anti-Money Laundering and Countering the Financing of Terrorism Code 2019 and the Gambling (Anti-Money Laundering and Countering the Financing of Terrorism) Code 2019.</p>	
		<p>Please provide any general comments you may have regarding the proposed amendments to the Proceeds of Crime Act 2008 by the Proceeds of Crime (Miscellaneous Amendments) Bill 2025.</p>	

No.	Title	Questions	Comments from respondent
2	<i>Draft</i> Proceeds of Crime (Amendment) (Forfeiture of Money held in Bank and Building Society Accounts) Bill 2025	Please provide any comments you may have regarding the proposed amendments to the Proceeds of Crime Act 2008 regarding Forfeiture of Money held in Bank and Building Society Accounts.	
3	<i>Draft</i> Proceeds of Crime (Amendment) (Unexplained Wealth Orders) Bill 2025	Do you have any specific comments in relation to the changes proposed at section 179B the draft Bill and in particular subsection (2)(b) setting the threshold for minimum combined assets at 50,000.00?	
4	<i>Draft</i> Proceeds of Crime (Amendment) (Unexplained Wealth Orders) Bill 2025	Please provide any comments you may have regarding the other proposed amendments to the Proceeds of Crime Act 2008 regarding Unexplained Wealth Orders.	
5	General feedback	Do you wish to make any other comments here in relation to this consultation?	

Appendix 1

List of groups to whom this consultation has been sent:

- Alliance of Isle of Man Compliance Professionals
- Association of Chartered Certificated Accountants (as oversight body)
- Association of Corporate Service Providers
- Chartered Institute for Securities and Investment (Isle of Man branch)
- The Department for Enterprise
- Digital Isle of Man
- Finance Isle of Man
- Financial Intelligence Unit
- Financial Planners & Insurance Brokers Association
- Gambling Supervision Commission
- Institute of Certified Bookkeepers (as oversight body)
- Institute of Chartered Accountants In England and Wales (as oversight body)
- Institute of Directors (Isle of Man branch)
- Institute of Financial Accountants (as oversight body)
- International Association of Bookkeepers (as oversight body)
- Isle of Man Wealth & Fund Services Association
- Association of Chartered Certified Accountants (Isle of Man branch)
- Isle of Man Association of Pension Scheme Providers
- Isle of Man Bankers Association
- Isle of Man Captive Association
- Isle of Man Chamber of Commerce
- Insurance Institute of the Isle of Man
- Isle of Man Law Society (as oversight body)
- Isle of Man Post Office
- Isle of Man Society of Chartered Accountants
- Isle of Man Insurance Association
- Society of Trust and Estate Practitioners (Isle of Man branch)