

Statutory Document No. 2021/0026

*Designated Businesses (Registration and Oversight) Act 2015***DESIGNATED BUSINESSES (FEES) ORDER 2021**

Approved by Tynwald: 16 March 2021
Coming into Operation: 1 April 2021

The Isle of Man Financial Services Authority makes the following Order under sections 8(2), 13(1) and 35(1) of the Designated Businesses (Registration and Oversight) Act 2015.

1 Title

This Order is the Designated Businesses (Fees) Order 2021.

2 Commencement

If approved by Tynwald, this Order comes into operation on 1 April 2021.¹

3 Interpretation

In this Order —

“**the Act**” means the Designated Businesses (Registration and Oversight) Act 2015;

“**annual registration date**” means 1 November each year;

“**the Authority**” means the Isle of Man Financial Services Authority;

“**employee**” of a registered person or applicant, has the same meaning as in section 173 of the Employment Act 2006 and includes an individual who, in relation to the designated business carried on by that registered person or applicant, —

- (a) works under a contract of employment or any other contract of service;

¹ Section 35(3) of the Designated Businesses (Registration and Oversight) Act 2015 specifies that an Order made by the Isle of Man Financial Services Authority under that Act must be laid before Tynwald as soon as practicable after they are made and if Tynwald, at the sitting at which they are laid or at the next following sitting, fails to approve them they cease to have effect.

- (b) practises alone or with others under the terms of a partnership agreement;
- (c) is otherwise engaged within the designated business of a registered person or applicant, in all cases where the individual undertakes to do or perform, directly or indirectly, work or service in relation to the designated business of that registered person or applicant, whether or not engaged directly by the registered person or applicant or through another entity forming part of the group of entities of which the registered person or applicant is a part, and the registered person or applicant is not by virtue of the contract a customer of the individual; or
- (d) is a director or officer of that registered person or applicant;

Example:

This example relates to the definition of employee, and specifically “in relation to the designated business”. Using a firm of estate agents as an example, sales and lettings negotiators would be roles in relation to that designated business, where an office cleaner would not.

“registered person” means a person registered under the Act.

4 Application

With the exception of specified non-profit organisations, this Order applies to all applicants for registration under the Act and all registered persons.

5 Registration fees

An application for registration must be accompanied by the registration fee in accordance with Table A in the Schedule.

6 Annual fees

- (1) Except where oversight of the registered person under the Act has been delegated by the Authority, the registered person must pay an annual fee to the Authority in accordance with Table B in the Schedule.
- (2) The annual fee is payable on the annual registration date.
- (3) In the first year of registration the proportion of the annual fee relating to the period from the date of first registration until the next annual registration date (calculated pro rata in accordance with (4)) is due and payable on the date of first registration.
- (4) Where (3) applies, the annual fee shall be calculated in accordance with the following formula (rounded up to the nearest £10) —

$$\frac{F \times N}{12}$$

Where —

- F is the annual fee which would be payable apart from this article;
and
- N is the number of months between the date on which the applicant for registration first becomes a registered person and the next annual registration date, counting a part of a month as a complete month.

7 Revocation

The Designated Businesses (Fees) Order 2020² is revoked.

MADE 8 FEBRUARY 2021

K. BADGEROW

Chief Executive of the Isle of Man Financial Services Authority

L. BOYLE

Member of the Isle of Man Financial Services Authority

² SD 2020/0050

SCHEDULE

DESIGNATED BUSINESSES FEES

Regulation 5

TABLE A: REGISTRATION FEES

Size of applicant for registration based on number of employees in relation to the designated business	Registration fee from 1 April 2021 to 31 March 2022	Registration fee from 1 April 2022
Sole trader	£126	£152
Small applicant (2 to 5 employees)	£126	£152
Medium applicant (6 to 15 employees)	£190	£228
Large applicant (16 employees or more)	£315	£378

Regulation 6

TABLE B: ANNUAL FEES

Size of registered person based on number of employees in relation to the designated business	Annual fee from 1 April 2021 to 31 March 2022	Annual fee from 1 April 2022
Sole trader	£190	£228
Small registered person (2 to 5 employees)	£441	£530
Medium registered person (6 to 15 employees)	£941	£1,130
Large registered person (16 employees or more)	£1,254	£1,505

EXPLANATORY NOTE

(This note is not part of the Order)

This Order specifies registration and annual fees payable by applicants for registration and registered persons under the Designated Businesses (Registration and Oversight) Act 2015 from 1 April 2021 to 31 March 2022 and from 1 April 2022.

This Order provides for fees to be pro-rated, where applicable, if a registration is granted during a period.

This Order revokes and replaces the Designated Businesses (Fees) Order 2020 and increases fees by 20% from 1 April 2021 and by a further 20% from 1 April 2022, with amounts being rounded up to the nearest £1.