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Beneficial owner

From CompanyFormationWiki, the free encyclopedia of company formation · Last updated 28 November 2026

In short: A beneficial owner (often "UBO", ultimate beneficial owner) is the natural person who ultimately owns or controls a company. Banks, registries and service providers must identify them, and most countries now keep a register of beneficial owners.

The legal owner of a share can be another company, a trust or a nominee. The **beneficial owner** is the individual at the end of that chain: the person who ultimately owns the company or controls it by other means. The global standard comes from the Financial Action Task Force (FATF), whose Recommendation 24 requires countries to make accurate beneficial ownership information on companies available to the authorities; it was tightened in 2022 and explained in 2023 guidance.

In the EU the usual threshold is **more than 25%** of the shares or voting rights, or control by other means; if no one meets it, a senior manager is recorded instead. The new EU Anti-Money Laundering Regulation (2024/1624) keeps the 25% threshold and applies from July 2027. Other countries use different thresholds, for example 10% in some higher-risk sectors.

You will be asked for beneficial owner details when registering a company, opening a bank account (know your customer) and filing with a beneficial ownership register. In the UK the equivalent concept is a person with significant control.

See also

- Know your customer (KYC)
- Nominee director and nominee shareholder
- Politically exposed person (PEP)

Frequently asked questions

Is the beneficial owner always a shareholder?

No. Someone can be a beneficial owner through control, for example the right to appoint most directors, or through shares held for them by a nominee or a trust.

Are beneficial ownership registers public?

It varies. Many are open to banks, authorities and people with a legitimate interest; since a 2022 EU court ruling, general public access has been restricted in several EU countries.

References

1. Guidance on Beneficial Ownership of Legal Persons (Recommendation 24) . Financial Action Task Force. Accessed November 2026.
2. The FATF Recommendations . Financial Action Task Force. Accessed November 2026.
3. Directive (EU) 2015/849 on the prevention of the use of the financial system for money laundering . EUR-Lex. Accessed November 2026.
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Source: https://companyformationwiki.com/beneficial-owner/
Version: last updated 28 November 2026. Check the online version for later changes.

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