The United Kingdom

Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland and Germany),
Solicitor (England & Wales and Hong Kong)
Of Counsel, KGP Legal LLC
alexander.ressos@kgplegal.com.sg
www.ressos.com.sg

From registration to a full regime

The United Kingdom regulated crypto assets through anti-money-laundering registration for five years before it regulated them as financial services. Since 10 January 2020 cryptoasset exchange providers and custodian wallet providers have had to register with the Financial Conduct Authority under the Money Laundering Regulations 2017. The FCA rejected or saw withdrawn the large majority of applications, which left a short list of registered firms and sent several large exchanges to other jurisdictions. From 8 October 2023 the financial-promotion regime applied to cryptoassets. Any promotion to United Kingdom consumers must since then be communicated or approved by an authorised person or made by a registered cryptoasset business under a bespoke exemption, with risk warnings, a cooling-off period and a ban on incentives.[1]

The Financial Services and Markets Act 2023 gave the Treasury power to bring cryptoassets within the regulatory perimeter of the Financial Services and Markets Act 2000. After consultations in 2023 and a draft statutory instrument in April 2025, the Treasury made the Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026, SI 2026/102, in early 2026. The Regulations create new regulated activities: operating a qualifying cryptoasset trading platform, dealing

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

in qualifying cryptoassets as principal or as agent, arranging deals, safeguarding qualifying cryptoassets, operating a qualifying cryptoasset staking service, and issuing qualifying stablecoins in the United Kingdom. They also create a regime for public offers and admissions to trading and a market-abuse regime for cryptoassets.[2] The FCA's authorisation gateway is scheduled to run from 30 September 2026 to 28 February 2027, after which the regime goes live on 25 October 2027. Firms that apply in the window and are not determined by the go-live date benefit from transitional treatment.[3]

Two features of the United Kingdom regime deserve a Swiss or Singapore reader's attention. First, the territorial scope. The Treasury decided that an overseas firm dealing directly with United Kingdom retail consumers must be authorised in the United Kingdom, without an overseas-persons exclusion for retail business, whereas business with United Kingdom authorised firms and institutional clients may be conducted from abroad. A Zug or Singapore exchange with United Kingdom retail users therefore needs a United Kingdom subsidiary by October 2027, in the same way it needs a Union subsidiary under MiCA. Second, stablecoins. The Regulations capture only issuance of qualifying stablecoins in the United Kingdom, so a Swiss or Singapore issuer is outside them, but a United Kingdom platform may offer an overseas stablecoin only if the FCA is satisfied with its standards. The Bank of England will separately regulate systemic sterling stablecoins, with a proposal in late 2025 to cap individual holdings during a transition.[4]

Property law: the third category

The United Kingdom made one contribution that the civil-law reader must note. The Law Commission of England and Wales concluded in 2023 that some digital assets are neither things in possession nor things in action and recommended statutory confirmation of a third category of personal property. The Property (Digital Assets etc) Act 2025 received Royal Assent on 15 December 2025. Its single operative section provides that a thing, including a digital or electronic thing, is not prevented from being the object of personal property rights merely because it is neither a thing in possession nor a thing in action. The Act leaves the development of the category to the courts.[5] Singapore's *ByBit* court considered the same analysis

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

and found that it could treat USDT as a thing in action without a third category. Hong Kong's *Gatecoin* took the same view. The United Kingdom statute therefore marks a divergence within the common law that Singapore courts will have to address when a case turns on the distinction, for example where a token carries no claim against anyone and the "thing in action" label strains. Swiss law has no equivalent problem, because it never tried to fit tokens into a category of claims.

Tax

The United Kingdom taxes individuals on capital gains from crypto assets at 18 or 24 per cent above an annual exempt amount of £ 3,000, with income tax on mining, staking and airdrops received as income. Companies pay corporation tax at 25 per cent. HM Revenue and Customs publishes its position in the Cryptoassets Manual. The United Kingdom implements CARF from 1 January 2026 with first exchanges in 2027, and domestic reporting of United Kingdom users runs alongside.[6] For a Swiss or Singapore resident the comparison is simple. The United Kingdom taxes the gain that Zug, Singapore and Hong Kong leave untaxed, which is why a United Kingdom founder with large token holdings appears in Part P, Chapter I, as a relocation candidate.

What a Swiss or Singapore client should expect

The United Kingdom offers a credible, slow and expensive regime with the best courts in the world for a commercial dispute. A Zug or Singapore firm with United Kingdom retail customers must plan for a United Kingdom subsidiary and an FCA application in the window that opens on 30 September 2026. A firm with institutional United Kingdom counterparties may continue from abroad. A token issuer offering to the United Kingdom public will need to meet the public-offer rules from October 2027, with a disclosure regime that resembles MiCA's white paper. A fund manager finds the United Kingdom useful for the Investment Association's standards and for retail exchange-traded notes on the London Stock Exchange, which the FCA opened to retail investors in October 2025. For a dispute,

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

London remains the forum of choice for cases with a United Kingdom defendant or United Kingdom-held assets, while its freezing-order jurisprudence is the model Singapore's and Hong Kong's courts follow.[7]

Notes

1. Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, reg. 14A, as amended from 10 January 2020. Financial Services and Markets Act 2000 (Financial Promotion) (Amendment) Order 2023. FCA, Policy Statement PS23/6, "Financial promotion rules for cryptoassets", June 2023. ↩
2. Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026, SI 2026/102, as published on legislation.gov.uk, including Parts on qualifying cryptoasset public offers and admissions to trading and on market abuse, and reg. 40 amending the Regulated Activities Order. ↩
3. A&O Shearman, "Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026 made and published", 4 February 2026, reporting the commencement of the FCA rule-making powers on 26 February 2026, the authorisation window of 30 September 2026 to 28 February 2027 and the regime go-live on 25 October 2027. ↩
4. HM Treasury, Policy note accompanying the draft Cryptoassets Order, April 2025, on territorial scope. FCA, CP25/14, "Stablecoin issuance and cryptoasset custody", May 2025. Bank of England, Consultation Paper on the regulatory regime for systemic payment systems using stablecoins, November 2025. ↩
5. Property (Digital Assets etc) Act 2025, s. 1. Law Commission, "Digital assets: Final report", Law Com No 412, 28 June 2023. ↩
6. HMRC, Cryptoassets Manual, CRYPTO20000 ff. (individuals) and CRYPTO40000 ff. (businesses). Taxation of Chargeable Gains Act 1992, s. 1H and Sch 1B (annual exempt amount). The Cryptoasset Service Providers (Due Diligence and Reporting Requirements) Regulations 2025. ↩

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

7. FCA, Policy Statement PS25/14 on lifting the ban on retail access to cryptoasset exchange-traded notes, 2025, with effect from 8 October 2025. ↩

Disclaimer

This article is provided for general information only. It is based on publicly available sources as at its date of publication. These sources have not been independently verified against licences, regulatory registers or the records of the entities concerned. It is not legal, tax, financial or investment advice. Nor is it a recommendation to invest in, transact with or use the services of any entity mentioned. Law and regulation change frequently, so the content may be incomplete or outdated. To the fullest extent permitted by law, Dr Alexander Ressos and the publisher of SingaporeIQ exclude all liability for loss or damage arising from the use of or reliance on this article. Readers should obtain advice on their specific circumstances before acting or refraining from action.

Names and trademarks of the entities discussed belong to their owners and are used for identification only. Their mention implies no endorsement, affiliation or allegation of wrongdoing. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. Corrections and updates: contact@ressos.com.

© 2026 Dr Alexander Ressos. This article may be quoted with attribution to SingaporeIQ (SingaporeIQ.com). Reproduction in full and any commercial use require prior written consent. The Legal Terms at https://singaporeiq.com/legal-terms apply.

Author contact: Dr Alexander Ressos, TEP · contact@ressos.com

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.