



HM Revenue & Customs

Mr Mark Handley

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Our ref: FOI2024/232370

Dear Mr Handley,

Freedom of Information Act 2000 (FOIA)

Thank you for your request, which was received on 25 November, for the following information:

“In the Notice to Exporters 2024/29 dated 4 November 2024 it was stated: “Since February 2022, HMRC has issued six compound settlements against UK companies that have breached the Russia sanctions regulations for a total of £1,363,129, including one in August 2023 for £1 million”.

In an article on the BBC dated 24 November 2024 ([available here](#)), a statement from HMRC was quoted as saying: ““HMRC has fined five companies for breaches of the Russia sanctions regulations in the last two years, including a £1m fine issued in August 2023.”

My review of the Notices to Exporters which have been published since the start of 2022 has revealed three published fines (dated 22 August 2023 (NTE 2023/17); 1 December 2023 (NTE 2023/23); and 4 November 2024 (NTE 2024/29)) in relation to Russian sanctions with total penalties of £1,125,426.

Please provide either the Notice to Exporters numbers for the two (or three) other compound penalties or fines imposed in relation to Russian sanctions, or provide the details of each of those fines or compound penalties including:

1. The amounts of each fine and/or compound penalty;
2. The dates of each fine or compound penalty;
3. The names of the individuals or companies upon whom, or which, had the compound penalty or fine was imposed;
4. Whether each of the fines or compound penalties included an element of the confiscation of the proceeds of crime, and if so, how much;
5. A summary of the conduct leading to the respective compound penalties or fine; and
6. Whether the fines or compound penalties resulted from a company or individual self-reporting to HMRC or another government agency.”

If you need extra support, for example if you have a disability, a mental health condition, or do not speak English/Welsh, go to www.gov.uk and search for ‘get help from HMRC’.

Text Relay service prefix number – 18001 OFFICIAL

Our response

We can confirm that we hold the information requested. Each question has been numbered when addressing for ease of reference with exemptions applying where applicable.

Questions 1 and 2

We have provided the dates and amounts of each compound settlement as follows:

- August 2022 - £1,000.00 was paid relating to the export of goods in breach of The Russia (Sanctions) (EU Exit) Regulations 2019.
- September 2022 - £19,689.20 was paid relating to the export of goods in breach of The Russia (Sanctions) (EU Exit) Regulations 2019.
- April 2023 - £217,012.50 was paid relating to the export of goods in breach of The Russia (Sanctions) (EU Exit) Regulations 2019.
- August 2023 - £1,000,000.00 was paid relating to the export of goods in breach of The Russia (Sanctions) (EU Exit) Regulations 2019.
- August 2023 - £67,001.31 was paid relating to the export of goods in breach of The Russia (Sanctions) (EU Exit) Regulations 2019.
- August 2024 - £58,426.45 was paid relating to the export of goods in breach of The Russia (Sanctions) (EU Exit) Regulations 2019.

Questions 3 and 5

This information is exempt from release under [section 44\(1\)\(a\)](#) of the FOIA. Section 44(1)(a) is an absolute exemption that applies to information prohibited from disclosure by other legislation, and it is not subject to a public interest test. The relevant legislation here is [section 23\(1\)](#) of the Commissioners for Revenue and Customs Act 2005 (CRCA).

When deciding whether we are prohibited from releasing information under section 23(1) of the CRCA, we must consider two questions:

- is the requested information held in connection with one of our functions? And
- does the information relate to a "person" who is identified, or who could be identified from it?

[CRCA explanatory note 110](#) states the term "person" includes both natural and legal persons, so, for example, entities such as companies, trusts, and charities.

In this case, the answer to both questions is "Yes". Firstly, the information is held in line with the enforcement of Russia sanctions, specifically compound settlements. Secondly, your request requires details which identify individual taxpayers specifically their names and their conduct leading to each settlement.

The section 44(1)(a) FOIA exemption is therefore engaged, and the information requested cannot be released under this Act.

Questions 4 and 6

This information is exempt from release under [section 31\(1\)\(d\)](#) of the FOIA, which states:

(1) Information which is not exempt information by virtue of section 30 is exempt information if its disclosure under this Act would, or would be likely to, prejudice -

(d) the assessment or collection of any tax or duty or of any imposition of a similar nature

HMRC is responsible for enforcement of UK Trade Sanctions and Strategic Export controls. We believe disclosure related to this area of work, specifically our internal procedures such as the reporting of non-compliance and subsequent enforcement, would potentially undermine our compliance strategy for opportunistic individuals to arrange their activities to escape challenge and pre-empt the risk involved, consequently leading to breaches of the restrictions.

Section 31 is a qualified exemption, so we are required to conduct a public interest test as set out in [section 2\(2\)\(b\)](#). This means that after it has been decided that the exemption is engaged, the public interest in releasing the information must be considered. If the public interest in disclosing the information outweighs the public interest in withholding it, then the exemption does not apply, and the information must be released.

We accept disclosure would support the wider government commitment to transparency and may encourage greater understanding of the general public about border activities. Publishing the information requested may, on the face of it, reassure the public that our border activities are fair and robust.

Against that, we have considered that releasing the information could demonstrate how we identify and address risks and could jeopardise our ability to effectively prevent illicit imports and exports, and so be exploited for criminal activity. To prejudice the prevention and detection of crime and subsequent law enforcement is likely to have an adverse impact on national security and cause harm to the public.

HMRC is subject to review by external bodies such as the National Audit Office and the Public Accounts Committee, so the public interest in our accountability is met by the oversight of those bodies.

We have concluded that the public interest in withholding this information, outweighs the public interest in disclosure. The section 31(1)(d) exemption must therefore be upheld.

Outside of the FOIA, you may find our [Information Disclosure Guide](#) useful as it explains the limited circumstances under which we can lawfully disclose information about our customers.

If you are not satisfied with our reply, you may request a review within 40 working days of receiving this letter by emailing informationrightsunit@hmrc.gov.uk or by writing to our address at the top.

If you are not content with the outcome of an internal review you can [complain to the Information Commissioner's Office](#).

Yours sincerely,

HM Revenue and Customs