



CRIMINAL ASSETS RECOVERY AMENDMENT (ORGANISED CRIME REFORMS) BILL 2025

STATEMENT OF PUBLIC INTEREST

Need: Why is the policy needed based on factual evidence and stakeholder input?

The Criminal Assets Recovery Amendment (Organised Crime Reforms) Bill 2025 (**Bill**) proposes to amend the *Criminal Assets Recovery Act 1990* (**CAR Act**) to:

- limit the ability of persons to avoid the confiscation of proceeds of crime by transferring it to persons for 'sufficient consideration' on terms that are not commercial or at arms-length
- remove the six-year limitation period for seeking proceeds assessment orders and assets forfeiture orders under the CAR Act
- clarify matters the Supreme Court may consider when quantifying proceeds of crime
- enable the confiscation of proceeds of crime derived from the sale of illicit tobacco.

The first three amendments were proposed by the NSW Crime Commission (**Crime Commission**). The final amendment was requested by the Illicit Tobacco Taskforce following recent reforms to disrupt illegal tobacco networks.

The NSW Government is conducting a statutory review of legislative reforms introduced in 2022 to strengthen the State's response to serious and organised crime. These priority amendments are being progressed in advance of the conclusion of the statutory review.

Objectives: What is the policy's objective couched in terms of the public interest?

The principal objects of the CAR Act include to provide for the confiscation, without requiring a conviction, of property of a person if the Supreme Court finds it to be more probable than not that the person has engaged in serious crime related activities.

The policy objective of the proposed amendments is to improve the effectiveness of the confiscation of the proceeds of crime by the Crime Commission under the CAR Act.

It is in the public interest to ensure that that the Crime Commission has the powers it needs to achieve the principal objects of the CAR Act, reduce the profitability of serious and organised crime, and utilise CAR Act provisions where appropriate to confiscate proceeds of crime derived from the sale of illicit tobacco.

Options: What alternative policies and mechanisms were considered in advance of the bill?

Amendment of the CAR Act is required to implement the proposals requested by the Crime Commission and the NSW Police Force.

Analysis: What were the pros/cons and benefits/costs of each option considered?

The Bill does not impose any appreciable cost or burden on the public or any group of the public.

Applications by the Crime Commission under the CAR Act are determined by the Supreme Court.

Pathway: What are the timetable and steps for the policy's rollout and who will administer it?

If enacted, the Bill will commence on a day to be appointed by proclamation. Transitional provisions ensure that the changes to implement the first three proposals apply retrospectively to past conduct.

The final proposal relating to the confiscation of proceeds of crime derived from the sale of illicit tobacco will commence after the commencement of amendments to the *Public Health (Tobacco) Act 2008* made by the *Tobacco Legislation (Closure Orders) Amendment Act 2025*.

Consultation: Were the views of affected stakeholders sought and considered in making the policy?

A consultation paper regarding the first three proposed reforms was circulated to stakeholders including the Law Society of NSW, Legal Aid NSW and the NSW Bar Association.

The final proposal was recommended by the Illicit Tobacco Taskforce, comprised of representatives of NSW Health, NSW Police Force, The Cabinet Office, the Department of Creative Industries, Tourism, Hospitality and Sport, and the Department of Communities and Justice.

The Bill was prepared in consultation with the Crime Commission, which supports the Bill.