# IFAC View

HMRC Trust Registration Service

Since late 2017, HMRC required any tax-paying trusts to be registered with them via the online Trust Registration Service (TRS). This related to any liability to Income Tax, Capital Gains Tax, Inheritance Tax, Stamp Duty Land Tax and Stamp Duty Reserve Tax. The latest UK Anti Money Laundering Regulations (the fifth Money Laundering Directive issued on 6 October 2020) extended this to include most non-taxable, express UK trusts. HMRC confirmed that the TRS was able to accept the registration of these trusts since 1 September 2021.

Any existing non-taxable trust must be registered by 1 September 2022. Any new trust created from 4 June 2022 must register within 90 days of being created. Failure to register a Trust may result in a fine from HMRC.

### Important Dates

6 October 2020 All non-taxable UK Trusts created or in existence since this date must be registered

If the trust has ceased since 6 October 2020, the trustees are still required to register the trust and then are able to immediately close the trust record to record the fact that the trust has ceased.

1 September 2022 Registration deadline for those trusts in existence on or after 6 October 2022

90 days Registration deadline for those trusts in existence on or after 1 September 2022

Changes to the Trust details and/or circumstances

**Failure to register a Trust will attract penalties but HMRC have not yet set out what form these will take**

### Ongoing Requirements

There is an obligation to register and keep details accurate for non-taxpaying trusts.

Details must be updated that are held about the Trust alongside if the Trust is closed.

**If no ongoing Self-Assessment tax returns are required, you do not need to comply with an annual declaration.**

**Any changes to the trust details and/or circumstances, must be notified within 90 days of the change.**

### So, which trusts have to register?

* Any Trust that has an investment bond in it
* A Designated Unit Trust (where a Unit Trust has been set up for the benefit of another)
* Any Trust holding the surrender proceeds of a Protection Plan
* A Bare Trust where a parent holds an asset for a minor
* Pilot Trusts created after 6 October 2020
* Any Will Trust continuing after 2 years from death
* Any Trust of land where the legal owners registered at the Land Registry differ to the owners deriving an interest in the property
* Any Trust that holds an asset such as a loan or property for a surviving spouse or other beneficiary on death
* Any Non-UK resident Trusts created on or after 6 October 2020:
  + That acquire an interest in land in the UK; or
  + Has at least one trustee resident in UK & Enters a Business relationship.

### What is excluded?

* Child Bank Accounts
* Child Trust Funds
* Junior ISAs
* Legislative Trusts
* Bereaved Minor Trusts (unless taxable)
* 18 to 25 Trusts (unless taxable)
* Disabled Person Trust
* Trust imposed by a Court Order
* Pension Scheme Trusts
* Trust of Insurance Policies
* A trust where the trust is holding only benefits received on the death of the person assured and less than two years has passed since that person’s death
* Charitable Trusts
* Pilot trusts – which do not have a value greater than £100 and were created before 6 October 2020.
* Cash deposit bank accounts for minor Trusts having effect on death (i.e., Will Trusts) within the first 2 years only
* Co-ownership (where legal and beneficial owners are the same)
* Personal Injury trusts

### Action Required

It is the responsibility of the Trustees to register the trust on the TRS. All Trustees are equally legally responsible for the Trust, but you must nominate one ‘Lead’ Trustee to be the main point of contact for Her Majesty’s Revenue and Customs (HMRC). The Lead Trustee will need to have an Organisation Government Gateway user ID and password for the Trust, which is created on the Government Gateway Website, should you have more than one Trust, each Trust will need to have its own separate account. Please note that a personal Government Gateway Account cannot be used.

We would recommend looking at HMRC guidance online at <https://www.gov.uk/guidance/register-a-trust-as-a-trustee>

Information required:

* Information about the Trust
  + Trust name
  + Date the trust was created
  + Residence of settlor and trustees (only whether UK or not)
  + Whether the trust acquired land or property since 6 October 2020 (only yes or no answer required at this point)
  + Is the trust registered on any register in an EEA country?
  + For non-UK trusts, whether the trust has a business relationship in the UK.
* Information about the Trustees
  + If there is more than one trustee, the trustees must nominate the lead trustee. This person will be the main HMRC contact and will be responsible for the administrative duties in relation to the tax affairs of the trust.
* Information about “Individual” Trustees
  + Full Name
  + DOB
  + Country of Residence
  + Country of Nationality
* Additional Information required for the Lead Trustee
  + Contact details
  + NI Number, or Passport where this is not available
* Information about Company or Other Legal Trustees
  + Name of the firm
  + Registered or Principal Office Address
  + Unique Taxpayer Reference (UTR) for UK firms
  + Country of Residence
  + Contact details for the Lead Trustee
* Information about the Settlors
  + Full Name
  + DOB
  + Date of Death if Trust created on Death
  + Country of Nationality
  + Country of Residence
  + Where the Settlor is a business, the business name and country of residence
* Information about the Beneficiaries
  + Name
  + DOB
  + Where not named, details of the class of beneficiary
  + Country of Residence
  + Country of Nationality
* Information about the Trust Controllers
  + Name
  + DOB
  + Country of Residence
  + Country of Nationality
  + Where this is a corporate body, full name and UTR for UK based firm or address where no UTR available

### How can IFAC help?

If you would like IFAC to undertake the registration on behalf of any Trustees, please advise us by 8 July 2022 and provide details of the Trust.

Please contact Izabela by email at [Izabela.si@ifac.eu](mailto:Izabela.si@ifac.eu)

We will provide you with the following:

* Checklist for completion
* Contract/Agreement
* Fee quote
  + Expected costs are in the region of £450 plus VAT
  + Charges will depend on the complexity of the requirements e.g., a significant number of trustees and/or beneficiaries will cost higher