



TRUST REGISTRATION SERVICE (TRS)

Changes to the HMRC Trust Registration Service to include most non-taxable Trusts Frequently Asked Questions

1. What is the Trust Registration Service (TRS)?

Since 2017 HMRC have required any tax-paying Trusts to be registered with them through the online TRS.

2. What is changing as a result of the new requirements in the TRS and why?

The latest UK Money Laundering Regulations have now extended this requirement to include most non-taxable trusts which also now need to be registered on the TRS. This is to comply with the 5th Anti-Money Laundering Directive.

3. When do Trusts need to be registered?

Any existing non-taxable Trust must be registered by 1st September 2022. Any new Trust must register by 1st September 2022 or within 90 days of being created (whichever is later).

This means that a Trust set up before 4th June 2022 will have to be registered by 1st September 2022. Any Trust set up from 4th June 2022 will have to be registered within the following 90 days.

4. Which Trusts need to register on TRS?

HMRC provides a full list of Trusts that are excluded from registration [here](#) but generally speaking all UK express Trusts must be registered. Express Trusts are usually created by a written deed and include the Trust plans used for estate and IHT planning, such as Gift Trusts, Loan Trusts, Discounted Gift Trusts & Bare Trusts.

5. Does each Trust need to be registered?

You will need to register each Trust that is held individually; multiple Trusts will each need to be registered separately. Each trust registered will require a separate Government Gateway Organisation ID and password.

6. What happens if a Trustee does not register?

Failure to register a Trust may result in a fine from HMRC. It is important to note that whilst a lead trustee is responsible for completing the TRS registration, and keeping it up to date, HMRC considers all Trustees equally responsible and therefore liable. Even if Trustees appoint an Agent to complete the TRS, the liability still rests with the Trustees.

7. Do any changes to a Trust need to be registered?

Yes, whenever there are any changes such as a change to who the Trustees or Beneficiaries are, or a change of their address etc, these must be updated on the TRS, within 90 days. Trustees can use the online service to view or make changes to their registered Trust.

8. What about Trusts that were closed after 6th October 2020?

HMRC have confirmed that any Trust in existence on or after 6th October 2020 are required to register by 1st September 2022, even if they have since closed. Trustees of such Trusts should register them on TRS and then immediately close the Trust record.

9. Who should register the Trust?

The registration should be performed by the Trustees themselves or by their Agent (Professional Legal and/or Tax Specialist). Courtney Havers LLP are unable to register the Trust on your behalf.

10. What if there are multiple Trustees?

Where there are multiple Trustees, they need to nominate a Lead Trustee who will be responsible for registration duties and dealing with HMRC (All Trustees are equally legally responsible for the Trust).

11. What information does the TRS need?

The amount of information that is required depends on whether the Trust has tax liabilities or not.

The information for **Non-taxable Trusts** includes basic details around the Beneficial owners (these include Settlers, Trustees, Beneficiaries and anyone having control over the Trust, not just the Trust Beneficiaries), alongside basic information about the Trust (Trust name, date it was created etc). **We have created a checklist for the Trustee's to complete to ensure they have full details before they start completing the registration. Please ask your Adviser for a copy if you do not have one.**

The information required for **taxable trusts** includes the above but also requires details of the Trust assets and the actual Tax liabilities and more

information about the beneficial owners (e.g., National Insurance Number, Full Address etc).

12. Which beneficiaries need to be recorded on the TRS?

Individual Beneficiaries: Due to a change to HMRC guidance at the end of February 2022, where a beneficiary is named in the Trust, they should be named individually on the TRS. Any Trust registered under the previous rules should not need to be amended.

13. Classes of Beneficiaries: HMRC have provided updated guidance in relation to classes of beneficiary which indicates that where beneficiaries are a distinct group, such as 'the grandchildren of Mr Silva', it is reasonable to expect the Trustees to be aware of the identity of each individual. They should therefore be recorded as individual beneficiaries rather than as a part of a class of beneficiary.

14. How do I register Trusts with the TRS?

We have created a step-by-step guide to help Lead Trustees to register Trusts with the TRS. If you have not already received this, please contact your Adviser who will be happy to send you a copy.