

## The UK Trust Registration Service

### HMRC's Trust Registration Service has changed - have you registered your trust? What is the Trust Registration Service?

The Trust Registration Service (TRS) is a register of the beneficial ownership of trusts. The TRS was first set up in 2017, requiring trustees to register if their trust was liable to pay the following taxes: income tax, capital gains tax, inheritance tax, Stamp Duty Land Tax (Land and Buildings Transaction Tax in Scotland) or Stamp Duty Reserve Tax.

New legislation has now come into force, requiring the majority of UK resident non-taxable trusts in existence on or after 6 October 2020 to be registered by the trustees on the HMRC Trust Registration Service before 1 September 2022.

Trusts created after 1 September 2022 must register within 90 days.

### What information do HMRC require?

As a trustee, you'll need to provide HMRC with the details of:

- The trust
- Settlor
- Trustees
- Beneficiaries
- Any individual who has control over the trust, in some instances referred to as protectors.

You can find out more and register your trust [here](#).

## FAQs

- **What has changed?**

New rules introduced on 6 October 2020 extended the scope of the trust register to UK and some non-UK trusts, with some specific exclusions, regardless of whether the trust is liable to pay any tax.

You can read more about this in [HMRCs manual](#), which is being updated on a regular basis.

- **What types of trust need to register?**

Here are the current rules on which trusts which are non- taxable trusts need to register and which do not. (All taxable trusts, obviously, need to register.)

### UK resident trusts

All UK resident express trusts (other than those which are specifically excluded – please see below) will have to be registered on the TRS.

### Excluded trusts

The types of trust (whether UK resident or non-UK resident) which will not have to be registered on the TRS include:

- UK charitable trusts.

- trusts that arise as a result of statutory requirements – for example, statutory trusts arising for minor children under the UK intestacy rules.
- trusts for a bereaved minor (TBM) and “18-to-25” trusts, i.e. trusts set up under the will of a deceased parent of the child where the child will become absolutely entitled to the trust property on or before attaining the age of 25.
- trusts created by a will which only hold assets forming part of the deceased’s estate and are wound up within two years of the deceased’s death.
- ‘pilot’ trusts created before 6 October 2020 where the value of the property held by the trust does not exceed £100 (if further funds are added to the trust so that the trust fund exceeds £100 the trust will have to be registered at that point).
- trusts created by, or to satisfy, a court order – for example, on divorce or the dissolution of a civil partnership.
- co-ownership trusts that exist solely for the purpose of jointly owning UK land.
- trusts that exist where two or more people co-own an asset legally and beneficially for themselves – for example, a bank account or shareholding.
- pension scheme trusts.
- trusts of life insurance policies or policies solely for the payment of retirement or death benefits - which only pay out on the death, terminal illness, or permanent disablement of the insured, or to meet healthcare costs.
- trusts holding only benefits received on the death of a life assured from a policy described immediately above, provided the benefits are paid out to beneficiaries within two years of the death of the person assured.
- trusts incidental to commercial transactions.
- authorised unit trusts.

Although bare trusts and nominee arrangements are not excluded by legislation, HMRC has confirmed that bank accounts held for minor children will not have to register.

Note, however, that if the trustees of a trust that falls within one of the above exclusions become liable for UK income tax, capital gains tax (CGT), inheritance tax (IHT), Stamp Duty Land Tax (SDLT) or Stamp Duty Reserve Tax (SDRT) the trust will need to be registered on the TRS in order for the required trust tax return to be issued.

- **What about whole of life protection policies?**

Based on current guidance it is our understanding that whole of life (WOL) protection policies with surrender values are excluded in certain circumstances from registering with the Trust Registration Service (TRS). Therefore, provided that no surrenders are made on the WOL policy during the life assureds lifetime, the trust will not be required to register for TRS purposes. However, if surrender does occur during lifetime of life assured and proceeds are retained in the trust there will be a registration requirement.

Where the policy surrenders as a result of the death of the life assured, the exclusion is extended for 2 years after which if the funds haven’t been distributed to the beneficiaries there will be a registration requirement from that point.

Further information can be found here [TRSM23030 - Trust Registration Service Manual - HMRC internal manual - GOV.UK \(www.gov.uk\)](#)

- **Where do I register my trust?**

You can register your trust [here](#).

- **When do I have to register my trust by?**

All UK express trusts (taxable and non-taxable) are now required to register with HMRC, unless the trust is excluded.

The deadline for registrations for non-taxable trusts in existence on or after 6 October 2020 is 1 September 2022.

Non-taxable trusts created after 1 September 2022 must register within 90 days.

Any changes made to the trust, such as death of settlor, or change of trustees and/or beneficiaries, must be recorded on the register within 90 days of when the event occurred.

- **What happens if I don't register my trust?**

Failure to register your trust could result in a fine.

- **Who can register a trust?**

In addition to trustees, a tax agent can register the trust on the trustee's behalf. However, financial advisers are not currently able to on behalf of their clients.

- **Does the register need to be updated if any information changes?**

Yes. If any changes are made to the trust, for example: death of settlor, a change of trustee or beneficiary, termination of the trust or change of address of any of the parties to the trust, the register will need to be updated within 90 days of the event.

- **Where can I find out more?**

If you have any questions, please contact us. You can also find out more on HMRCs website [here](#).