

Are you the trustee of a trust? You may have to register your trust under the Trust Registration Service



Following a change in Government legislation, the scope of trusts that have to be registered with HMRC has widened significantly, meaning most trusts must now be registered via the Trust Registration Service before **1 September 2022**.

Registration of trusts

Previously, only trusts with tax liabilities were registrable. However, the Money Laundering and Terrorist Financing (Amendment) (EU Exit) Regulations 2020 have extended the registration requirements, meaning that most trusts in existence on **6 October 2020** or created after must be registered.

Broadly, the following trusts must be registered (unless they fall within a narrow list of exceptions):

- Taxable trusts;
- Express trusts; and
- Non-UK express trusts.

If a trust was in existence on or after 6 October 2020 and was subsequently wound up before the deadline, it still needs to be registered and then the trust record should be immediately closed.



Trustees' responsibilities

Trustees are responsible for registration of the trust, and they can register the trust themselves using the [HMRC online portal](#).

Although some trusts are excluded from registration, the requirement to register all express trusts is wide-ranging and the need to record any changes puts a compliance burden on trustees.

For taxable trusts, there is an annual requirement to declare that the details on the trust register are accurate and up to date. For non-taxable trusts, you only need to update the register if something (such as a trustee address) changes.

Property trusts

Express trusts can include situations where the legal owners of a property (i.e. those listed at the Land Registry) do not match one or more of the beneficial owners of the property. This arrangement is often recorded in a Declaration of Trust, but it could be included on the TR1 transfer document.

Record-keeping requirement

In addition to the registration requirements, the regulations require trustees of "relevant trusts" to maintain up to date written records of the beneficial owners of the trust. They need to be able to provide these records, on request, within a reasonable period. Relevant trusts include all UK express trusts (whether or not they fall into one of the exemptions) and certain non-UK trusts which are not excluded from trust registration. The information the trustees need to obtain goes beyond the information that can be ascertained from the trust documents, and so positive steps will need to be taken to comply with this requirement.

Further guidance

Details of trusts which must be registered and those which are excluded can be found on [GOV.UK](#) with additional technical information available in the Trust Registration Service Manual.

How we can assist you

If you believe that you have set up a trust or that you may be a trustee of a trust which was in existence on 6 October 2020 or came into existence after that date, and you would like us to review and comment on whether the trust needs to be registered, please get in touch. We can provide you with an indication of the costs for reviewing whether the trust is registerable and assisting with the registration process, if required.

For more complicated scenarios and trust structures, advice should be sought as soon as possible.

Please contact Nicola Hillyer on 01892 506 014 or nicola.hillyer@cripps.co.uk



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