

Trust Registration Service

What is it?

As part of HMRC's wider digital strategy, it is removing the ability for trustees to register and update trust records with HMRC in a paper format, such as via the trust tax return.

The Trust Register will act as a single point of access for trustees and their agents to update their records online. The register will be in line with HMRC's digital strategy.

Trustees, or their agents, will need to update the register each year in which it generates a UK tax consequence. As a consequence of this, some trusts – bare trusts for example – will be excluded from reporting.

Registration

All trusts with a UK tax consequence will need to be registered, and records must be kept accurate and up to date. This is part of the obligations under the Fourth Money Laundering Directive (4MLD). Trusts which complete a UK trust and estate tax return include:

- Employee Ownership Trusts who complete a trust tax return;
- Discretionary trusts;
- Interest in possession trusts;
- Charitable trusts.

The register will also provide a single point of access for personal representatives and their agents to register complex estates. An estate is considered complex if:

- The value of the estate exceeds £2.5 million;
- Tax due for the whole year of the administration period exceeds £10,000;
- Value of assets sold in any tax year for the date of deaths up to April 2016 exceeds £250,000 or £500,000 for date of deaths after April 2016.

Registration does not apply to either trusts or complex estates which have been closed. A letter from HMRC must have been received stating that they have updated their records to show that either the trust has closed or the complex estate administration period has ended. This may have happened many years ago.