



# Trust Registration Service

The Trust Registration Service (TRS) is a register of the beneficial ownership of trusts, set up in 2017 by HMRC, as part of the Government's fight against serious organised crime and money laundering.

When it was first introduced, only expressly created UK trusts which were liable to pay tax were required to register. However, new rules introduced more recently, now mean that most UK non-taxable trusts will need to register also. There are a few exceptions to the requirement to register which fall into a very limited range of exempt categories, but by and large, if you are a trustee of a UK trust which existed on 6 October 2020 or has been created since that date, you will need to register the trust with the TRS.

## What is a trust?

There are many different types of trust in existence today and not all of these are obvious at first glance. The main types of trust are Discretionary Trusts, Life Interest Trusts and Absolute (or Bare) Trusts, but there are many others such as Discounted Gift Trusts, Pension Trusts, Life Policy Insurance Trusts and Investment Bonds written in trust.

A very common trust arises where property or land is owned jointly by more than one person either as beneficial joint tenants or as tenants in common. Each legal owner becomes a trustee and holds the property on trust for himself/herself and for other people, such as spouses, partners or siblings.

Trusts can be created expressly during lifetime and also on death by the deceased's Will (or on intestacy). For example, following death, an individual's share in the family home may be held on trust for their surviving spouse or civil partner to occupy during their lifetime and after the survivor's death, for their children. All trusts are run by trustees for named beneficiaries or a class of beneficiaries (e.g. grandchildren).

## Do I need to register the trust?

If you are a trustee, it is your legal responsibility along with your other co-trustees to register the trust with the TRS, unless it falls into one of the few exempt categories. Please see the table overleaf for common examples of those trusts which require registration and those which are exempt.

You must register all registerable trusts within 90 days of their creation.

If a trust has been created following a person's death under a Will, that trust will need to be registered if it continues to operate for two years after death.

## How do I register the trust?

You will need to appoint a 'Lead Trustee' to record all the required details about the trust, the trustees and the beneficiaries on the GOV.UK website. Alternatively, you may wish to appoint a professional, such as a solicitor or accountant, to carry out the registration process for you.

## What happens if I do not register the trust?

All trustees are legally obliged to register the trust unless it is exempt. If you do not register the trust on time or,

once it is registered, fail to keep the details up to date, then HMRC will impose financial penalties on trustees for the failure to comply.

Trust requiring registration	Trust exempt from registration
Taxable Express Trusts set up under a Deed or Will	Charitable Trusts
Non-Taxable Trusts – eg, life interest trusts of the family home or residuary estate – if the trust has been in existence for more than 2 years after death	Trusts created on death which have been in existence for less than 2 years after death
Bare Trusts	Trusts for bereaved minors
Co-ownership Trusts over land/property jointly owned by 2 or more people where the trustees and the beneficiaries are not the same (unless legislation prevents all the beneficiaries being named as legal owners because there are more than 4 owners)	Trusts for bereaved adults aged 18-25 created under the Will of their deceased parent(s)
Non-UK Express Trusts with a UK based trustee	Trusts imposed by legislation or a court order, eg statutory trusts created under an intestacy
Non-UK Trusts entering a UK business relationship	Trusts of Insurance Policies and Compensation Pay-Outs
Non-UK Trusts acquiring UK land	Employee Share Scheme Trusts which are a share incentive plan meeting the requirements of Part 9 of Schedule 2 to the ITA 2003 or a share option scheme meeting requirements of Parts 2 to 7 of Schedule 3 to the ITA 2003
Pilot Trusts created before 6 October 2020 with assets valued at more than £100 (even if they have since been wound up)	Co-ownership Trusts over land/property jointly owned by 2 or more people where the trustees and beneficiaries are exactly the same people (unless legislation prevents all the beneficiaries being named as legal owners as there are more than 4 owners)
Pilot Trusts created after 6 October 2020 with assets of any value (even if they have since been wound up)	UK Registered Pension Schemes
	Disabled Persons Trust
	Pilot Trusts created before 6 October 2020 with assets of less than £100 (unless assets have been added taking the value over £100 – register these within 90 days of increase)

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