



Trust Registration Service: what you need to know

WHAT IS THE TRUST REGISTRATION SERVICE (TRS)?

The TRS is a register of trusts (and complex estates) kept by HMRC. Trustees (or their agents) must go online and set up a record of the trust that they are running, giving HMRC the information required.

The information about the trust must be kept up to date and it is an important obligation of a trustee to ensure that the TRS requirements are complied with.

I AM A TRUSTEE. DOES THE TRS APPLY TO THE TRUST THAT I AM TRUSTEE OF?

The short answer is, yes, you will likely need to register your trust with the TRS. All express trusts need to be registered, even if they do not produce income or are very small.

Even if you were a trustee of a trust that has since closed, if it was in existence on or after 6 October 2020 it may need to be registered on TRS and then immediately closed.

There are some types of trusts that are not required to register. You should take advice if you are unsure about whether you need to register your trust or not.

I AM AN EXECUTOR DO I HAVE ANY OBLIGATIONS TO REGISTER THE DECEASED'S ESTATE WITH THE TRS?

Yes, if the estate administration has been ongoing for more than 2 years and contains a trust then it must be registered with the TRS.

It should be noted that if a beneficiary chooses to vary the terms of a Will, then the 2-year exclusion will not apply. The executors will only have 90 days from the date the variation is signed in which to register with the TRS, irrespective of whether there will be an ongoing trust.

I THINK THE TRUST, OR THE ESTATE I AM DEALING WITH, WILL NEED TO BE REGISTERED WITH THE TRS. WHAT INFORMATION WILL I HAVE TO PROVIDE?

If the trust is liable to pay tax (for example, income tax, capital gains tax or inheritance tax), you will need to provide more detailed information to HMRC than if your trust is not liable to pay UK tax.

You will need to give:

- The name of the trust
- The date the trust was set up, in the case of a Will Trust this would be the date of death
- Details of the trust assets (where the trust is liable to pay tax)
- Information of each beneficiary including their name, date of birth, national insurance number and role in relation to the trust (for example, whether they are a settlor or beneficiary).

WHEN DO I HAVE TO REGISTER MY TRUST WITH THE TRS?

If the trust was set up before 6 April 2021, the trust must usually be registered on or before 31 January after the tax year in which the tax liability occurred.

If the trust became liable to pay UK taxes after 5 April 2021 and before 9 February 2022 or is non-taxable but still required to register, the main registration deadline was 1 September 2022.

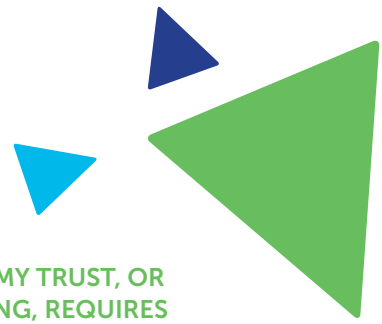
If the trust is set up on or after 4 June 2022, it must be registered within 90 days of the trustees becoming liable to pay UK taxes.

I HAVE REGISTERED MY TRUST WITH THE TRS, BUT THERE HAS BEEN A CHANGE TO SOME OF THE INFORMATION I GAVE AT THE TIME OF THE REGISTRATION. WHAT SHOULD I DO?

You have 90 days from when you become aware of any changes to update the register.

If we are currently instructed in connection with an existing trust, we will advise you if we consider the trust needs to be registered with TRS. If we consider it does, and you decide to register the trust yourself, you will need to supply your proof of registration document





once it has been completed. The proof of registration document is called the “Declared copy of the trust’s registration” and is available from HMRC.

If you do not supply the proof of registration document, or you do, but the details differ from the information we hold, we are required to notify HMRC of such failure/ discrepancies.

For any new trusts created after 1 September 2022, you must provide us with this proof of registration document as soon as possible. For trusts created before 1 September 2022 you must provide us with the proof of registration document before 1 April 2023.

WHAT PENALTIES ARE THERE IF I FAIL TO COMPLY WITH THE TRS?

There will usually not be a financial penalty at first, but for subsequent offences there is a proposed penalty of £100 per offence. However, you can be fined straight away if you were aware of the TRS but failed to register on time or to update the TRS with any changes to the trust.

There are penalties of up to £5,000 if you deliberately fail to register your trust with HMRC’s TRS.

CAN WOLFERSTANS ADVISE IF MY TRUST, OR THE ESTATE I AM ADMINISTERING, REQUIRES REGISTRATION WITH THE TRS?

Yes, for a fixed fee, our legal experts can check your trust documents to see if it needs to be registered with the TRS. If so, then we can register the trust, or estate, with TRS on your behalf. Please call 01752 663295 and ask to speak to someone in our Wills and Probate team.

Alternatively, HMRC have produced a document containing step by step guidance of the process to help customers through the TRS registration themselves which can be found on the [Government website](#).

This factsheet provides general guidance. Your Wills and Trust lawyer will be able to provide specific advice based on your circumstances. Wolferstans has taken all reasonable care to ensure that this factsheet was accurate on the stated date of publication or last modification.

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