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HMRC Trust Registration Service

Registration

The Trust Registration Service (TRS), introduced in 2017, requires certain trusts to register their details with HMRC and update the register with any changes. When introduced, non-taxpaying trusts were not subject to the new rules and were not required to register.

Following legislation changes in March 2022, the TRS was expanded to include, most, but not all non-taxpaying trusts. The rules can apply to trusts set up both during a person's lifetime (regardless of whether or not there is a formal trust deed) or on death through a will.

Any new trust, that doesn't fall into any of HMRC's stated exceptions, must register on the Trust Registration service within 90 days of their creation.

Common types of trust that generally should register (unless exceptions apply):

- Bare Trusts
- Discretionary Trusts
- Employee Benefit and Ownership Trusts
- Express Trusts
- Interest in possession trusts and liferent trusts
- Insurance policy trusts
- Settlor-interested trusts

What are the exceptions?

Exceptions to the requirement to register on the Trust Registration Service include:

- Bank accounts held, under a nominee arrangement, for children under 16 or for those that lack mental capacity.
- Insurance policies that are written into trust that only pay out on death, critical illness or permanent disablement of the person assured, or to cover their healthcare costs (unless in place 2 years after death).
- Trusts created on death – trusts created by a will are given 2 years from the date of death before registration is required.
- Trusts for Bereaved Minors and 18-25 Trusts – trusts that meet specific conditions, which must pay out to beneficiaries before their 18th or 25th birthdays respectively.
- Property co-ownership trusts – trusts relating to the joint ownership of property, provided the trustees and beneficiaries are the same persons.
- Historic "pilot" trusts – trusts set up before 6 October 2020 that hold a nominal amount (no more than £100) but then left dormant. Those set up after that date are not exempt.
- Child Trust Funds – the predecessor to Junior ISAs, set up between 2005 and 2011.
- UK Pension Schemes – where registered with HMRC.
- Charitable trusts – trusts that are registered as a charity in the UK.
- Disabled Person's Trusts – the disabled person must be the only beneficiary.
- Trusts arising from personal injury payments.
- Share Incentive Plans (SIPs) and Save as You Earn (SAYE) schemes.
- Trust imposed by legislation or court order – e.g. set up on bankruptcy or intestacy.
- Trusts created in the course of professional services or commercial arrangements
- Approved maintenance funds for historic buildings.

Exceptions apply if there is no UK tax liability: all trusts with UK tax liabilities must register.

Non-UK resident trusts?

There is no requirement to register non-UK trusts, unless the trust holds UK land or has a UK tax liability. If one or more trustees are UK-resident, there can also be a requirement to register where there are certain business relationships in the UK.

Updating the Register

After the trust is registered it is necessary to make updates to the register, generally within 90 days, where certain details for the trust or individuals associated to it have changed (see here for further details).

How can we help?

If you have a trust that may be affected by the upcoming changes and would like our assistance to register and maintain the trust on your behalf, please get in touch via mail@ct.me or 0131 558 5800.

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