The Trust Registration Service

Inheritance Tax and trusts

01 November 2017

Due to the delayed agent access to the new Trust Registration Service, HMRC are extending the self-assessment registration deadline for 2016/17 for trusts.

Legislation introduced in June 2017 requires most trusts to retain a written record of their *beneficial owners*. This term includes settlor(s), trustees, beneficiaries and any person who can control the trust.

Any trust which is liable to certain taxes, including Income Tax, CGT, SDLT, LBTT and IHT, must also report the details of their beneficial ownership to HMRC via the *Trusts Registration Service* (TRS).

Following the withdrawal of form 41G in April 2017, the TRS is also the mechanism by which trusts and complex estates who need to register for self-assessment for 2016/17 can obtain a UTR.

HMRC will retain the data that is supplied on a Trust Register. This can be accessed by law enforcement agencies, but not the public.

The ATT have prepared a briefing note on the TRS setting out which trusts must report and what action trustees need to take. It can be found on the ATT technical pages.

Agents will access the TRS via the new HMRC Agent Services. At the time of writing we do not know when agents will have access to Agent Services and hence the TRS. Hopefully agents will have access by the time this article is published! Trustees have had access to the TRS since July.

Given the issues over agent access, HMRC announced in August that the deadline for any trust registering for self-assessment for 2016/17 would be extended by two months from 5 October 2017 to 5 December 2017. Both the ATT and CIOT have raised concerns with HMRC that since agents still didn’t have access at 5 October,

this extra time has already been reduced.

For existing trusts which already have a UTR but need to comply with the TRS reporting requirements the reporting deadline is 31 January 2018. This deadline is rapidly approaching with agents being asked to comply with new requirements during peak self-assessment season. Again, the ATT and CIOT have expressed their concerns to HMRC.

Once practitioners have access to the TRS we would like to hear how registrations are progressing. Please contact atttechnical@att.org.uk or technical@ciot.org.uk with the heading 'The Trusts Registration Service', or feedback directly to us below, with your experiences or to highlight any areas of concern or uncertainty.