Trust Registration Service and Agent Services Account

General Features | Inheritance Tax and trusts

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The CIOT and ATT have written to HMRC regarding the challenging deadline for providing information under new anti-money laundering legislation for trusts and provide further updates on accessing the Trust Registration Service and the new Agent Services accounts.

In November's Technical Newsdesk we highlighted that, following new anti-money laundering legislation, most trusts are now required to retain a written record of their *beneficial owners*. This term includes settlor(s), trustees, beneficiaries and any person who can control the trust.

Trusts liable to certain taxes, including income tax, capital gains tax, stamp duty land tax, land and buildings transaction tax and inheritance tax, must also report the details of their beneficial ownership to HMRC via the *Trusts Registration Service* (TRS).

Access to the TRS

On 17 October 2017, HMRC announced to professional bodies that the TRS was available to agents. In practice, it was only available if the agent had an *Agent Services Account* (ASA). ASAs are being developed as part of *Making Tax Digital for Business*.

At the time of writing this article ASAs were still being piloted. To obtain an ASA for TRS purposes, the agency could request access by emailing HMRC. By the time this goes to print we are hopeful that ASAs will be live, and it will no longer be necessary to email to request access. Instead the ASA should be set up as part of the initial login to the TRS.

Following the link to ‘Register your trust’ the agency should use one of its existing government gateway accounts to log in for the first time. The system will then identify that an ASA needs to be set up, and take the agent through the creation of new credentials for an ASA. The agent should then be able to return to ‘Register your trust’ and log in with their new ASA credentials to access the TRS.

Agents need to be aware any ASA created this way will be the main account for the agency for many future HMRC services, so it may not be appropriate for the trust department to set up the ASA for the whole firm. HMRC have confirmed that a firm’s ASA will acquire further functionality as ASAs are developed. We are expecting HMRC guidance on setting up an ASA to be available in December.

The ASA will have the following features:

- Each firm will only have one ASA compared to multiple government Gateway accounts, which they may have now.
- ASAs can be secured by 2 Step Verification (2SV). This requires a mobile, landline or app to be associated with the account to receive a passcode which must be entered to get access to the account. The 2SV process is not fully developed for ASAs and it is not mandatory. Firms with more than one office, or multiple users of the account, may choose not to set 2SV up at this time.
- HMRC are working on a facility to grant staff members delegate access to the firm’s ASA, to allow firms to manage which clients staff can access. However this will not be available for some months. In the meantime, there is a function to create *administrator* and *assistant* accounts on the ASA via the government Gateway and again we are waiting for further guidance from HMRC.

In future, the firm’s software will also need to be linked to its ASA. This is not relevant to the TRS, as registrations must be made via HMRC’s web-based iform. There is no third party software currently available for this task.

Look out for further information on the TRS and ASAs as we learn more in the weekly ATT/CIOT newsletters, and the ATT/CIOT websites.

Deadlines

For trusts with a tax liability in 2016/17, the reporting deadline is *31 January 2018* unless the trust is registering for self-assessment for the first time. In that case, the

registration must be completed by *5 January 2018*. (This is a specific extension to the usual 5 October 2017 deadline and has been extended from the 5 December 2017 deadline previously reported following requests for an extension by ATT/CIOT.)

These deadlines coincide with the busiest period of self-assessment for agents, and the resource needed to obtain, and then enter, the relevant TRS information should not be underestimated. The ATT and CIOT have written to HMRC asking for a soft-landing in the first year to provide more time for trust agents to comply without the risk of a penalty being imposed.

Guidance

On 9 October HMRC provided guidance on the TRS to professional bodies only.

The ATT briefing note on their technical pages has also been updated.

Feedback

Feedback on the TRS and related matters is welcome and can be sent to atttechnical@att.org.uk or technical@ciot.org.uk with the heading 'Trust Registration Service' or directly to us below.