Amendments coming to Trust Registration Service requirements this summer

Inheritance Tax and trusts

20 May 2026

The ATT and CIOT have commented on new regulations which will bring some welcome changes to the requirements of the Trust Registration Service later this year.

On 25 March, The Money Laundering and Terrorist Financing (Amendment) Regulations 2026 (tinyurl.com/crwy2rk8) were laid before Parliament. Included amongst a range of amendments to anti-money laundering measures are changes to the registration requirements relating to the Trust Registration Service (TRS). These amendments follow on from a previous consultation in 2024.

The changes include:

- a wider application of the two year ‘grace’ period for trusts which need to register following the death of a settlor;
- a new de minimis exemption for certain low value, non-taxable trusts;
- the removal of stamp duty reserve tax from the list of ‘relevant taxes’;
- an exemption from registration for Scottish survivorship destination trusts; and
- for non-UK trusts, an extension of the registration requirements and data sharing rules to those trusts which acquired UK land prior to 6 October 2020 and are still holding it when the regulations come into force.

The new measures will take effect 21 days after the statutory instrument is signed into law. Based on the current parliamentary timetable, it is expected that the regulations will be effective by the end of June or early July.

The two biggest changes are the extension of the grace period for trusts arising on death and the new de minimis exemption for certain low value trusts.

The extended exemption for trusts arising on death is welcome. It will mean that trusts arising from deeds of variation, together with trusts which were previously exempt from registration under co-ownership arrangements or similar but which lost the exemption on the death of the settlor, will not need to register until two years after the death of the settlor.

While the new de minimis general exclusion is welcome in principle, and existing trusts which meet the condition can remove themselves from the register once the regulations take effect, it is complex and narrowly drafted. To qualify, an express trust must not:

- hold any interest in UK land;
- have held property exceeding £10,000 since it was created;
- have an annual income of more than £5,000; or
- hold assets such as art, antiques or other non-financial assets worth more than £2,000 that could increase in value over time.

Settlors will only be allowed to have one trust exempted under the de minimis exclusion, although the explanatory memorandum to the regulations says that settlors can have trusts which are exempt from TRS registration for other reasons, as well as an exempted de minimis trust.

The ATT has fed back on some minor drafting points, and the CIOT has asked for clear guidance on the de minimis exclusions. The CIOT also continues to raise concerns about the lack of a de minimis exemption for executors, which can result in them having to register small cash balances on the TRS simply because estate administration could not be completed within two years.

We are looking forward to engaging further with HMRC, particularly on the guidance to support the new exclusion for small trusts. If you have any comments or queries about the new regulations, please let us know.

Helen Thornley *hthornley@att.org.uk*
Ruth Sadlier *rsadlier@ciot.org.uk*