

Registration of Trusts – Important Changes

We're aware that some of our accountholders are investing for a child using an account that results in the establishment of a bare trust so we wanted to alert investors of these changes which apply to both existing, and new trusts from 1st September.

The Trust Registration Service (TRS) is an online service provided by HMRC for trustees to register trust arrangements.

There is more information at **www.gov.uk/guidance/manage-your-trusts-registration-service**

How do I know whether I need to register or not?

Child Trust Funds and Junior ISAs do not need to be registered. There is also no requirement to register Lifetime ISAs or ISAs as these can only belong to the accountholder.

However, where a Junior Investment Account or General Investment Account has been set up so as the named accountholder(s) are acting as trustees, and are not the beneficial owner of the investment, it will need to be registered using TRS. The trustees are required to register both formal trusts set up by a trust deed or an informal arrangement e.g., where the account has been designated for a child as is the case here.

When do trusts need to be registered?

Taxable trusts already needed to be registered by 31 January following the end of the tax year in which the trust had a tax liability.

Non-tax paying trusts which were in existence on 6 October 2020 (even if they are now closed) should be registered by **1 September 2022**. Any trusts created after 6 October 2020 need to be registered within 90 days of the trust being created. Changes to the trust or the trustees' details, including its winding up, also need to be registered within 90 days of the change.

Does this mean that the investment will be taxed differently?

No, there is no change to taxation, and reporting of any tax due.

How do I register a trust or report a change?

There's an online form to fill in – there is no option to complete this by post. This is accessed through the lead trustee's Government Gateway account, who would be the person who set up and operates the account. If there are multiple trustees, the trustees simply need to agree between them who will be the lead trustee – the only difference is who is nominated as the point of contact. There is a link on the TRS website to set up a Government Gateway account if the lead trustee doesn't already have one.

What information needs to be provided?

The lead trustee needs to provide details of the trustees, the beneficiary and the settlor/donor. There is no requirement to provide specific account details of the account held with Columbia Threadneedle.

There's more information on the TRS website but generally, for each of the above, you need to provide their name, date of birth, address, National Insurance number (if a UK citizen) or passport details (if not a UK citizen), country of residence and country of nationality

Do I need to let Columbia Threadneedle know that I've registered?

There is no current requirement to let us know but this may change in the future. In the meantime, you should ensure that the details recorded on the account match the details that you are declaring and let us know promptly if there are any changes needed to our records.