

Does your sports club hold any property “in trust”?

We have previously issued [briefings](#) for sports clubs on considering their organisational structure and whether they should incorporate. Now there is another reason to check the terms of your club's constitution.

HMRC has introduced a trust registration system following a change in anti-money laundering legislation. Following new EU Anti-Money Laundering regulations and as part of increasing demands globally for transparency, most UK trusts and some foreign trusts are required to maintain details of their beneficial owners, including trustees.

Most sports clubs are unincorporated organisations and so these changes will be unlikely to affect those. However, certain clubs may include a provision within their constitution that provides for any property of the club to be held “in trust” by certain individuals or “property trustees”.

Any sports clubs holding property “in trust” will need to register with HMRC via the Trust Registration Service (TRS) and the deadline for doing this is 1 September 2022. This new rule applies whether or not the club pays tax.

Trusts must supply information via the TRS in the first instance. The information on TRS must then be reviewed and an annual declaration requires to be submitted to HMRC to record that the information is correct. Any changes to the information shown on the register must be updated within 90 days of the change.

The reportable information is:

- full name of the trust;
- date of creation;
- assets held;
- tax residency;
- beneficial owners' details (name, address, date of birth and NI number);
- correspondence address;
- advisers' details; and
- type of trust.

Harper Macleod recently delivered a webinar to other law firms via its HM Connect network, which had useful information on the TRS. Sports clubs should watch the webinar from 31.49 onwards via [this link](#).

Please note that if your sports club trust is registered as a charity you will be exempt from registration. The HMRC maintains a list of other exemptions in the TRS manual.

Our understanding is that the 1 September 2022 deadline is “soft” for the time being and it is not expected that HMRC will levy harsh penalties on submissions after this date. However, it is not clear how long this penalty position will be waived and so we would advise you to register as soon as possible, if you are required to do so.

If you require any further support, please get in touch.

Get in touch

SGBs can access the [sportscotland](#) legal expert resource helpline by email at sportscotlandinfo@harpermacleod.co.uk or by calling [0141 227 9333](tel:01412279333).