

Our Services to Offshore Trust Companies and Their Clients

Over recent years jurisdictions around the world have imposed increasingly onerous tax reporting requirements on offshore financial centres, no more so than the UK Government. This burden will increase with the implementation of US and UK FATCA and (from September 2017) Common Reporting Standards (CRS), which will have a significant impact on the quantum and quality of data reported around the world.

At [Specialist Taxation Services \('STS'\)](#) we have a highly experienced team who can support offshore trustees and company directors with their UK tax reporting responsibilities.

The support we provide includes:

HEALTH CHECKS

- (a) A review of a client structure to ensure that it is UK tax compliant.
- (b) Consideration of the steps needed to regularise the structure and possibly the beneficiaries tax affairs, in the respective jurisdiction.
- (c) Provide the necessary 'sign off' should HMRC query the structure following receipt of the CRS data.

DIRECT UK TAX REPORTING

- (a) Completion and submission of Self-Assessment Tax Returns that the Trustees are required to complete under UK legislation, together with calculating the necessary tax liabilities.
- (b) Registering Non-Resident Companies under the Non-Resident Landlord Scheme.
- (c) Completion and submission of Non-Resident Company Tax Returns, together with calculating the necessary tax liabilities.
- (d) Completion and submission of all Inheritance Tax (IHT) accounts on either an entry charge, decennial charge or exit charge, together with liaising with HMRC to agree the IHT liability.
- (e) Completion and submission of appropriate Annual Tax on Enveloped Dwellings ('ATED') tax returns for the appropriate vehicles holding UK residential property.
- (f) Consideration of when and if a rebasing election should be entered into and assisting the Trustees with any correspondence in relation to this matter.
- (g) Arrange for entities to be registered for VAT purposes, including the completion and submission of the necessary forms.
- (h) Completion and submission of all VAT returns together with calculating the VAT liability.

CONSIDERATION OF THE APPROPRIATE UK ANTI-AVOIDANCE LEGISLATION

Much of the work undertaken by our team is the provision of advice to offshore trustees and directors in understanding and complying with the anti-avoidance legislation which affects settlors and beneficiaries. This frequently includes:

- (a) Preparation of computations subject to s86 TCGA 1992 - the settlor charge.
- (b) Preparation of computations subject to s87 TCGA 1992 - the beneficiary charge, for capital payments/benefits that have been made or are intended to be made in the future.

- (c) Calculation of the respective pools of income, i.e. relevant income, that are subject to s732 ITA 2007; consideration of the effects s720 ITA 2007 may impose on transferors who continue to enjoy the assets transferred to non-residents.
- (d) Identification and calculation of offshore income gains, together with consideration of how these gains interact with anti-avoidance legislation.

PROVISION OF SERVICES TO SETTLORS AND BENEFICIARIES

- (a) There is frequently a requirement for trustees and directors to compile data for settlors, founders and beneficiaries in order that they can complete their Personal UK Tax Returns. STS can assist in the collation of this information as follows:
- (b) Analysing income distributions to ascertain the correct tax treatment and providing where necessary the appropriate tax credit which may be applicable.
- (c) Matching of capital distributions and benefits and advising the correct tax treatment which will apply to those distributions.
- (d) Analysing bank and investment statements to provide the necessary tax information for inclusion on the individual's tax returns.

AD-HOC ADVICE AND SERVICES

STS can also offer a bespoke service, in addition to the above support, to assist trustees and directors on a variety of issues, such as:

- (a) The provision of specific and written tax advice to trustees and directors on a case by case and issue by issue basis.
- (b) The provision of assistance on the segregation of income and capital and where necessary offer guidance should mixed funds occur.
- (c) The provision of a UK tax review service to ensure that the entity/settlors and beneficiaries remain tax compliant.
- (d) The provision of tax training to your organisation on tax and related topics as requested.

The above is not an exhaustive list and we are able to offer assistance as and when required. If you wish to discuss any related issues, please contact:

Jon Plant

Director
Specialist Taxation Services Limited
804 Merlin Park
Ringtail Road
Burscough
Lancashire
L40 8JY

Tel: – +44 (0) 1704 891676
Fax: – +44 (0) 1704 891677
Mob: – 07730 674887
E-mail: – jon.plant@sptax.co.uk
Website: – www.sptax.co.uk