

Central Register of the Beneficial Ownership of Trusts Working Group Meeting - Minutes

Date: 08/09/2021

Time: 2.30pm to 4.00pm

Attendees:

For Revenue: Patrick (Mick) O'Connor (MOC), Suzanne Sheahan (SS), Nicola Moran (NM)

External Stakeholders: Aileen Keogan – STEP, Annelies Coughlan – CII, Brendan Wallace & Shane Martin – IDSA, Clare McGuinness, Camilla Cullinane, Alison McHugh – ITI, Dee Moran - CCAB-I, Mary Broderick – PA, Michael Kavanagh – ACOI, Edel Finn for Nollaig Greene- IF, Sean O'Connor- Charities Regulator, Tony Ward - The Wheel, Padraic Courtney – LS, Salvador Nash(KPMG) for Jillian O'Sullivan-CGI

Apologies:

Jillian O'Sullivan (GT) - CGI

Nollaig Greene – IF

Introduction & Update from the Trust Registrar:

MOC provided a brief introduction of the reasoning behind the working group and Revenue's role in the Central Register of Beneficial Ownerships of Trusts. He highlighted the importance of engagement with users and representative bodies and welcomed the opportunity to engage in a collaborative approach with the working group and was interested in their input and feedback they wished to provide.

MOC then invited each member to briefly introduce themselves.

Feedback from Stakeholders:

Members provided the following feedback and queries:

1. Users felt they if they were unable to obtain a piece of information required at the moment of entry, for example a PPS number, that they would have to delete the work thus far and re-enter at a later stage. They felt this was time consuming.

NM noted that to avoid this, users could enter the beneficial owner details that were available. If they realised they were missing information they exit out of the Trust Register Functions until they had the missing details. The information they had already entered would be partially saved and could be retrieved on the next visit to the Trust Register Functions. However, the limitation to this was that this partial save had to be finalised out before another trust could be registered.

2. Concerns were raised about capacity for ROS to cope with trust registrations, particularly when the CRBOT return filing deadline coincides with the IT return filing period.

MOC informed the group that ROS has the capacity to host the Trust Register.

3. It was stated that the registration process is time consuming and cumbersome with issues around different errors. There was frustration that the screen clears when an error occurs through information omission or when pressing the Back button in some instances.

NM acknowledged this was an issue we were aware of and SS offered that we would take this feedback to our technical department.

4. Query on whether details needed to be repeated where an individual was both settlor & trustee for example. It was felt this was unnecessary and time consuming.

SS acknowledged that this is required and may be reviewed, but at this time entries are required for both.

5. Are errors going to occur if details such as name and address do not verify if there are small discrepancies, e.g. Irish versus English version, middle name etc?

NM confirmed that the verification of data entry occurs for the PPSN and DOB only - the name discrepancy will not create an error. Separately SS & MOC added that the Registrar will explore the implications for designated persons carrying out due diligence where minor discrepancies are found and how this impacts their reporting obligations.

6. In the case of will trusts, there are many dormant trusts where there are small amounts of money that remain undistributed because, for example, the BO could not be identified or contacted. Is it necessary to register these dormant trusts?

Point also raised that clarification is outstanding on whether estates must register prior to the creation of the trust as stipulated in the will, i.e. when being administered by the executor.

SS advised that legal advice was being sought and an update will be provided.

7. Will there be late filing penalties?

MOC provided that Revenue's initial goal is to get the register up and running. Revenue would envisage that most trusts are registered by the deadline date and that we are taking a collaborative approach to encourage engagement with stakeholders to maximise compliance with their obligations.

8. Sub-users not getting access to Trust Register Functions. It was thought it may be a result of filing rights for users.

SS acknowledged that team would need to check this with technical team.

9. In relation to timebound access, it was noted that it may be difficult to say how long would be needed. Time would be dependent on designated persons own internal process.

10. When the access code is granted, is trustee/presenter blocked from changing any information on the register?

SS said she was unaware of any block but would ask our technical team.

11. Revenue Record page not showing return as filed or acknowledging registration of trust.

MOC said that this is due to the separation of the register from Revenue's core business.

It was also noted that there was no functionality for printing a report of filing. SS added that this is something we have received queries about previously and will provide feedback to our technical team.

12. It was felt there was little awareness in the charities sector and that webinars and clarity on what charities must register was required, e.g. charitable trusts versus those companies limited by guarantee that may be already registered on RBO.

MOC acknowledged need for more sector specific communications and clarity on which registers to register on.

13. Does CRBOT capture incidental trusts?

Also concern about definition of a "business relationship", i.e. where UK lenders lend to Irish trusts, and any associated cross border issues.

More information to be provided to Trust Register teams on this question by the person who raised the query.

14. It was noted that there may be perceived benefits of registering on CRBOT rather than other trusts e.g. for data protection reasons.

Also noted that additions could be made to FAQs around property holdings (as bare trusts) versus charities.

More information to be provided to Trust Register teams on this question by the person who raised the query.

15. Concerns raised around access to minors' details where a legitimate interest of access is given for a parent of those minors. Concerns also raised over accessibility of information on vulnerable beneficiary and availability of information via Member State access.

MOC advised that access to register details was based on permissions in legislation and on authority of Registrar. SS noted that Member State access piece has not been finalised yet.

16. Clarification sought on "otherwise administered" definition.

SS confirmed this query had been passed to legal

17. Clarification sought on whether conditional trusts come within the scope of CRBOT.

SS confirmed this query had been passed to legal

18. Section 35 allows for due diligence to be carried out on internal register or CRBOT

MOC to review and provide clarification.

Terms of Reference: No objections

Closing:

MOC acknowledged need for feedback sessions.

SS informed group that there was active monitoring of queries on email and MyEnquiries and that all queries are welcome to Trust Register.

NM provided a brief summary on some of the operational errors that users were finding.

NM will follow this up with a troubleshooting page for members.

MOC & SS provided assurances that feedback would be provided to relevant areas on issues and clarifications sought would be provided in due course.

MOC also mentioned possibility of subgroups looking at various themes e.g. functionality of system and legal clarifications as well as also mentioning that we would draft a short note to have in their organisational newsletters.

MOC stated it was planned to issue draft minutes asap – hopefully by Friday 11th September.

Trust Register Working Group - Terms of Reference

- Act as a knowledge and information sharing network for Trust Registrar and stakeholders and service users of the Trust Register
- Provide a forum to highlight issues encountered by Trust Register stakeholders and users when meeting obligations.
- Consider opportunities to assist users and ensure voluntary compliance with Register obligations