

Tax justice on the way to achieving another goal, this ...

Published: January 15, 2026, 7:08 am

Pinsent Mason's website, out-law.com, has noted that:

From 26 June 2017, trustees of UK trusts and of non-UK trusts with UK tax liabilities will need to maintain accurate and up-to-date records of all the beneficial owners of the trust. They will also be required to report beneficial ownership information annually to HM Revenue & Customs (HMRC) to be kept on a UK register of trusts. The first information must be provided to HMRC by 31 January 2018.

The register of trust beneficial ownership was introduced to comply with the UK's obligations under the EU's Fourth Anti-Money Laundering Directive (4AMLD).

Under current law the register is only accessible by tax and law enforcement authorities. However, the European Commission is proposing that the 4AMLD should be amended to require trust registers to be publicly available. If the 4AMLD is amended before the UK leaves the EU, the UK would have to amend its regulations.

In 2005 I wrote this with John Christensen in what was, in effect, [the first tax justice manifesto](#):

Trusts are a principal vehicle of tax injustice:

- * *They are used to hide wealth from tax.*
- * *Discretionary trusts hidden behind nominee trustees create a secrecy space that is hard to regulate. Many states defend the lack of disclosure of accounting information by saying that the corporations in question are privately owned and therefore entitled to privacy.*
- * *In common law countries, trusts are equivalent to secret bank accounts. This is a valid complaint of those countries that are being asked to remove their banking secrecy laws. Incredibly, charitable trusts own many of the offshore 'special purpose vehicles' that are used by so many companies as part of their international tax planning. This is an abuse of the concept of charity.*

Trusts have been widely abused and they clearly need to be better regulated. They serve useful functions in such areas as:

- * The promotion of genuine charities.*
- * The protection of children and the disabled who are unable to look after their own affairs.*

There is no reason why every trust should not be required to disclose on public record the following:

- * who created it*
- * what the trust deed says*
- * who the trustees are*
- * who the beneficiaries are, and in the case of discretionary trusts any potential beneficiaries listed in the settlement*
- * trust accounts*

Trusts are given rights and privileges similar in many respects to those of limited liability companies. These rights and privileges should be balanced by a requirement for transparency and social responsibility.

We are on the way to achieving another goal. These things just take time.