

Central Register of Beneficial Ownership of Trusts (CRBOT)

Introduction

In an effort to reinforce and build upon the European Union's Anti-Money Laundering regime, as well as to address rising compliance issues, the EU adopted the Fifth Anti-Money Laundering directive (5AMLD) in early 2020. As a result of recent pressure on the need for increased transparency and accountability with respect to the true ownership of trusts, a key component of this directive was the requirement for each member state to hold a central register of trust owners. In Ireland, the CRBOT was established and is monitored by the Companies Registration Office (CRO).

Under the new regulations, trustees of Irish based trusts are required to furnish certain information about the beneficial owners of trusts for the purposes of the register. This includes the beneficial owner's name, date of birth, nationality and residential address. This information can be publically available with a view to help detect and subsequently prevent money laundering, corruption and other illegal activities.

Registration requirements and deadlines.

For trusts that were established on or before 23 April 2021 the deadline for registering for the CRBOT was the 23rd October 2021. Trusts created after this date must file with the CRO within 6 months of their creation.

A "Relevant Trust", which is defined as an express trust established by deed or other declaration in writing, must file with the CRBOT when either A) the trustees are resident in the Ireland or B) the trust is administered in the Ireland.

In addition to this, trusts established to hold the assets of an Approved Sports Body and Charitable Trusts are also required to file. Estates that are held in trust are not obliged to file until such a time as the trust comes into effect i.e. on the death of the person who set up the trust to hold their assets.

To prevent duplicate filings, where a trust is administered or has trustees residing in more than one Member State, trustees must obtain a certificate from the other Member State where the trust is registered. The CRO may carry out an inspection of this certificate to ensure the trust is registered correctly within the EU.

Trusts based outside of the EU

While a trust may not be administered in the EU or have trustees resident in the EU, a requirement to register with the CRBOT arises where a trustee engages in a business relationship in Ireland working on behalf of the trust or acquires land to be held in the name of the trust. This requirement applies for the duration of time the relevant asset or relationship exists in the State.

Benefits and Drawbacks of the CRBOT

As outlined above, the CRBOT is intended to serve as an important tool in the fight against financial crime. It allows authorities such as An Garda Síochána, Revenue Commissioners and the Criminal Assets Bureau to inspect the register on a regular basis. It equally provides a platform for stakeholders such as investors and regulators.

However, one of the key criticisms of the CRBOT is that it is vulnerable to errors or inaccuracies due to the fact the system operates on a self-reported system meaning the information is not independently verified.

Additionally, concerns have arisen as to the efficiency the CRBOT actually has in preventing financial crime due to the fact it relies upon trustees to provide accurate and truthful information and it doesn't offer a real-time view of trust ownership.

What can Moore offer those involved in trusts?

At Moore, we have expertise advising settlors, trustees and protectors of trusts in relation to filing requirements and obligations. Since the establishment of the CRBOT we have assisted many trusts through the full process of registering with the system. Our services include advising on the creation of trusts in a tax efficient manner and the tax efficient structuring of asset transfer to and from trusts. Our comprehensive service offering to our clients includes:

- comprehensive assistance with the registration process for the CRBOT to ensure all filing criteria is met,
- personal one to one consultations on structuring opportunities,
- tax planning on profit extraction and other benefits
- compliance reminder e-mails in advance of deadlines,
- provision of advice in relation to trust structuring
- assistance with Capital Gains Tax and Capital Acquisition's tax computations arising out of the transfer of assets to/from trusts.
- detailed Estate Planning involving both trusts and other structures.

We have established an efficient process to cater for our client's needs which allows us to provide a highly effective and personalised service.

If this is something you believe may be of interest to you or your business, please feel free to contact us and we can provide any additional information you may require.

Article by:

Colin Dignam - Director | Tax | Moore

Daniel Roche O'Rourke - Associate | Tax | Moore

[Please see contact information below](#)

[Colin Dignam](#) | Director | Tax (Dublin)
colin.dignam@mooreireland.ie

[Patricia Twohig](#) | Director | Tax (Cork)
patricia.twohig@mooreireland.ie

[Contact Information](#)

T: 353 1 888 1004 (Dublin)

T: 353 21 427 5176 (Cork)

www.mooreireland.ie