HMRC - CG34950 - Settlor Trusts: Procedures: Returns By Trustees

Although trustees of settlements wholly within Section 77 are not generally liable toCGT, they are obliged to make a return of all chargeable gains, because of the wording ofTMA70/S8A, referring to the liability of trustees, beneficiaries and settlors. However thegeneral rule, that trustees need only complete the section of the return dealing withchargeable gains only where those gains or the proceeds exceed specified amounts, applies,see CG10341. Responsibility for agreeing the amount of the gains less losses will remainwith the HMRC Trusts Office. However it may well be appropriate for HMRC Trusts and theoffice responsible for the settlor’s return to liaise before any enquiry is made. Itis important to ensure if necessary that assessments on the settlor are made and a formalenquiry into the settlor is opened. See also EM0305.

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