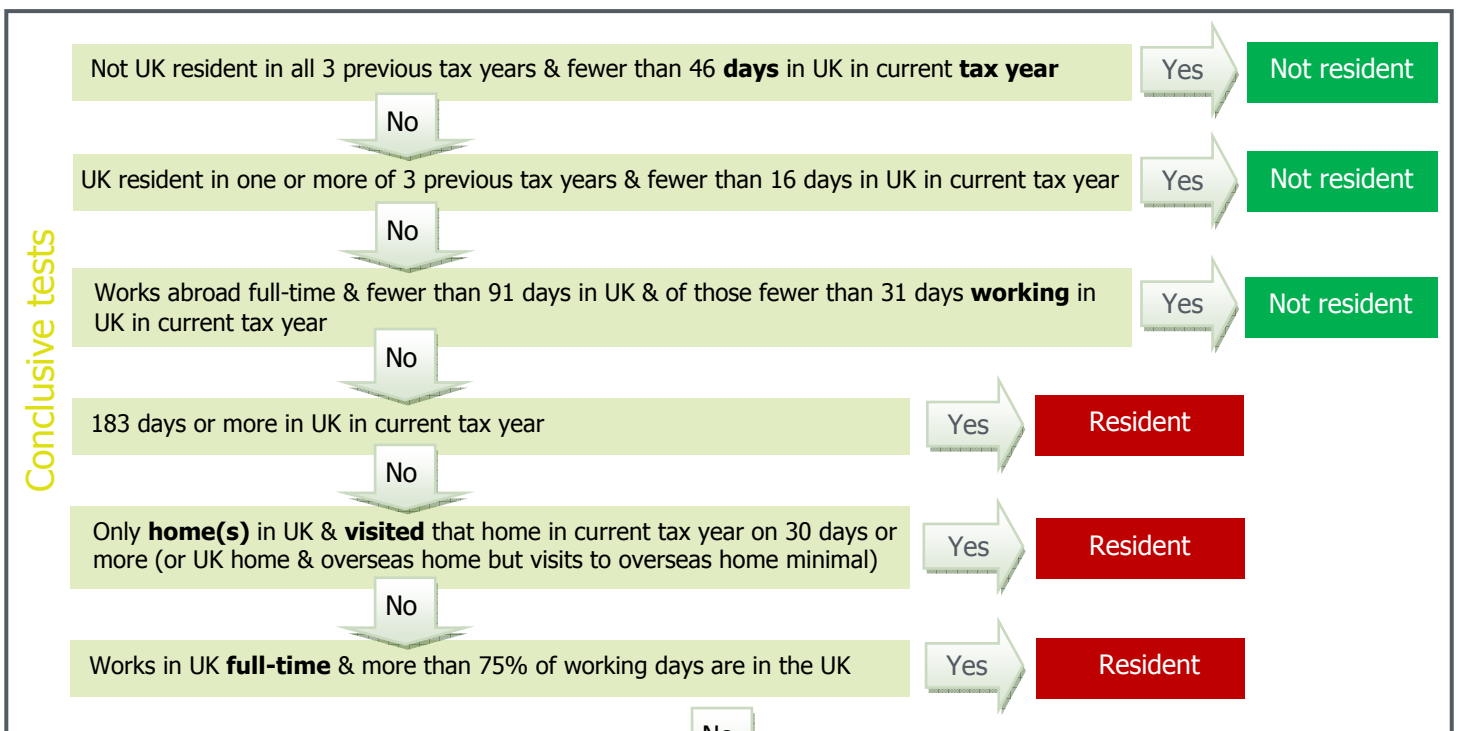
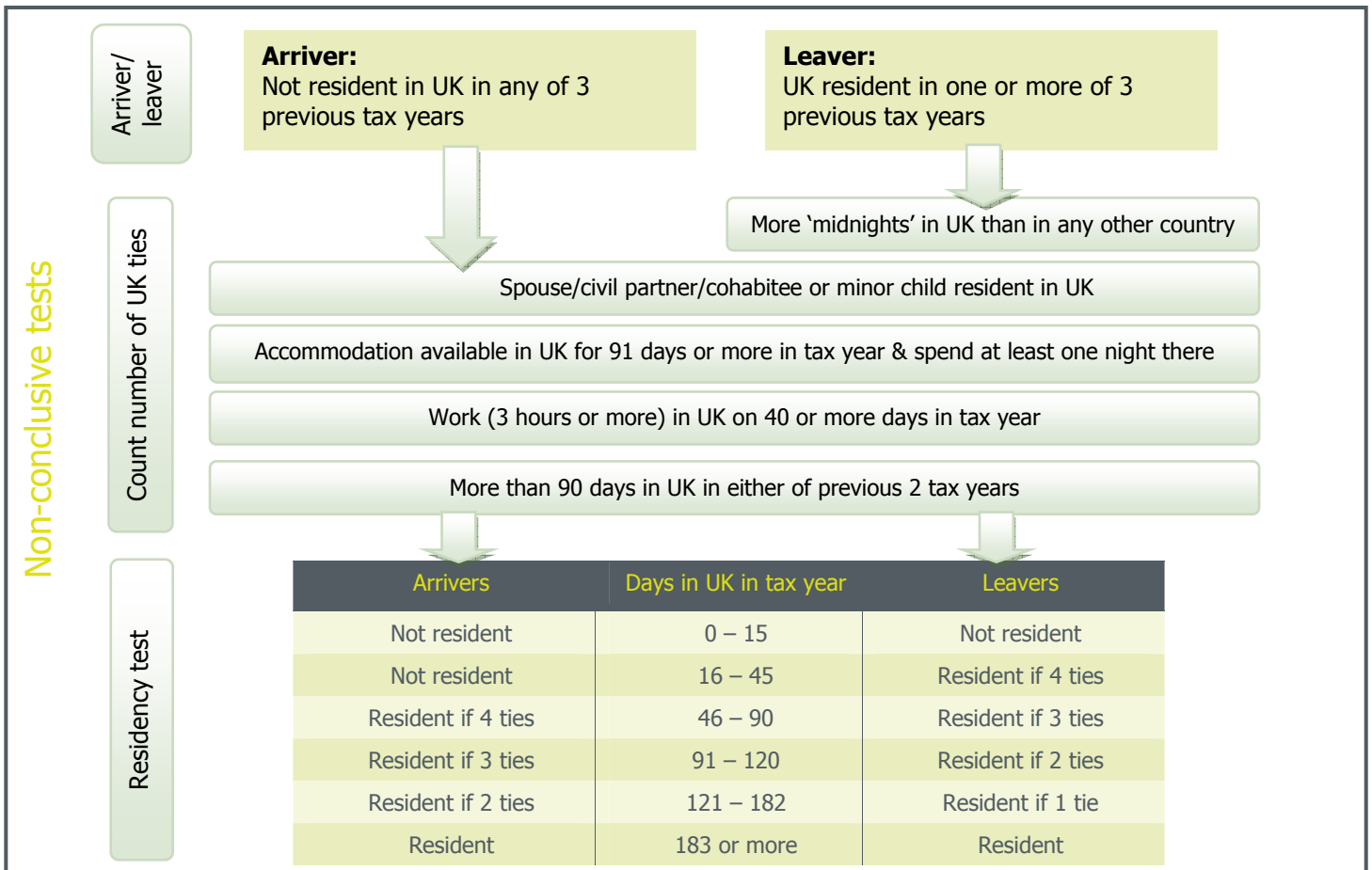


UK statutory residence test: flowchart for individuals

Rules effective from April 2013



Determine arriver or leaver status, count number of UK ties and count number of days in UK in tax year



UK statutory residence test: flowchart for individuals

Rules effective from April 2013

Key definitions:

- **tax year:** 6 April in one year to 5 April in the following year
- **day:** if the individual is in the UK at midnight that day counts as a day in the UK (other days may be counted in some circumstances). Days in the UK can be ignored in some exceptional circumstances
- **working:** an individual works in the UK on a day if he does 3 hours' work or more in the UK on that day
- **full-time work:** 35 hours per week (average)
- **accommodation:** a place to live – can include a holiday or weekend home or a hotel room (where stay of one night or more) or a relative's home (if individual stays at relative's home for 16 nights or more in tax year)
- **home:** does not include somewhere that a person only uses periodically, like a holiday home or temporary retreat; or any property being advertised for sale or let where the individual lives somewhere else
- **visits:** an individual visits a home of his on a day if he spends any time there (however short)

Arrivers: Simple scenarios

Simple solutions

Husband & wife have a UK house; neither work in the UK	⇒	They can always spend 120 days / tax year in the UK year without becoming resident
Husband & wife have a UK house; both work in UK	⇒	They can always spend 90 days / tax year in the UK year without becoming resident
Husband & wife have a UK house; he works and she does not	⇒	He can spend 90 days; she can spend 120 days / tax year in the UK without becoming resident
Individual has UK house and UK work	⇒	He can spend 90 days / tax year, and 120 days every 3 rd year in the UK without becoming resident

Tax impact of UK residence

Status of individual		Income		Capital gains		Inheritance tax	
		UK source	Non-UK source	UK assets	Non-UK assets	UK assets	Non-UK assets
Domiciled	Resident	Taxable as arises	Taxable as arises	Taxable as arises	Taxable as arises	Taxable	Taxable
	Non-resident	Taxable as arises	Not liable to tax	Not liable to tax	Not liable to tax	Taxable	Taxable
Non-domiciled (remittance basis user)	Resident	Taxable as arises	Taxable if remitted	Taxable as arises	Taxable if remitted	Taxable	Not liable to tax
	Non-resident	Taxable as arises	Not liable to tax	Not liable to tax	Not liable to tax	Taxable	Not liable to tax

This guide is a summary of the rules which does not cover all circumstances and it is not a substitute for specific legal advice.

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