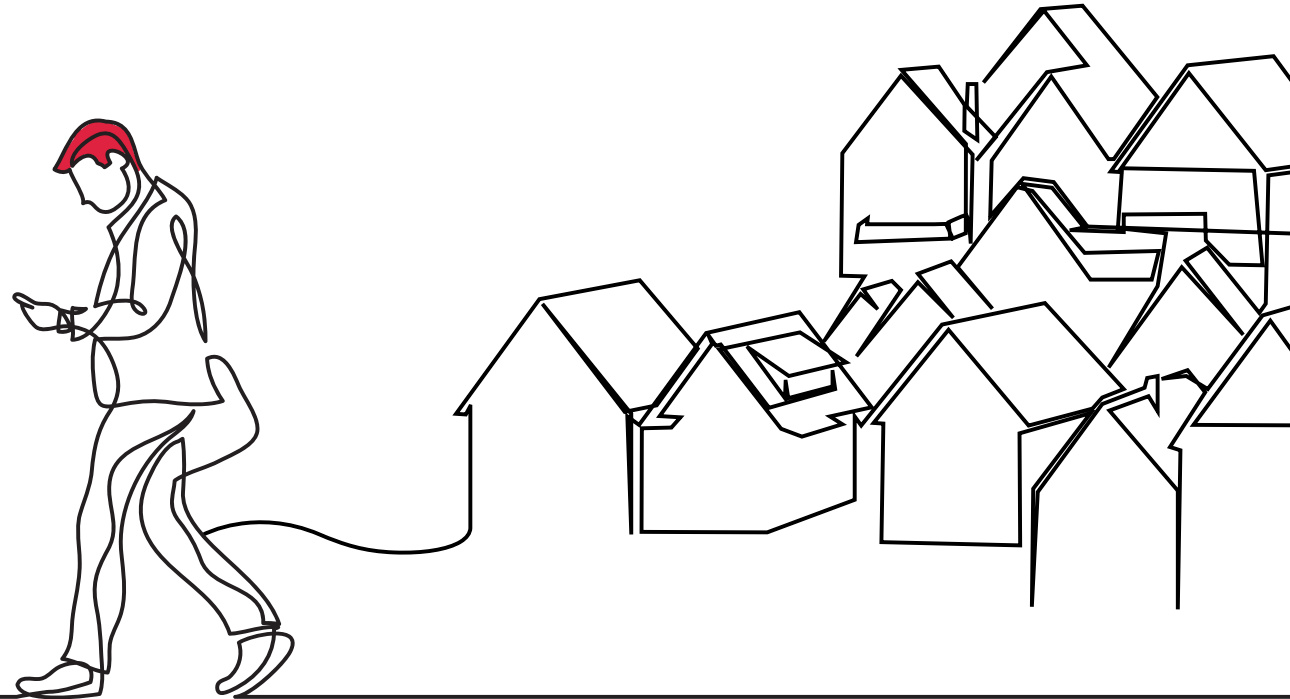


UK Tax Residence



If you are tax resident in the UK you will have to pay tax here on the income you receive from UK sources. If you are UK domiciled you will also have to pay UK tax on your worldwide income.



If you are resident but not domiciled in the UK you can choose to claim the remittance basis. With this claim, any non UK income is only taxable in the UK if you actually bring the money into the UK.

There are conditions attached to using the remittance basis- see below.

Tax residence is a complicated area and you should always seek advice appropriate to your personal circumstances.

UK tax residency status is determined by applying the UK Statutory Residence Test. This test looks at the number of days you were present in the UK, past UK residencies and the number of ties you have to the UK.

Please consult the flow chart [here](#) to help determine residency status.

Domicile

Domicile has a greater degree of permanence than residence. When you are born you take the domicile of your father, or if your parents were not married then you take the domicile of your mother. You continue to have this domicile status unless you change it. If your parents domicile changes while you are a dependent child, then your domicile changes too. If, after the age of 16 you permanently settle in a new country you can adopt that country's domicile.

You will be deemed domiciled in the UK for tax purposes, regardless of actual domicile if either:

- You were born in the UK, have a UK domicile of Origin and are resident in the UK for tax purposes, or
- You've been a UK tax resident for 15 of the 20 tax years immediately before the relevant tax year.

Let us Introduce Ourselves



Email: contact@ouryclark.com

Oury Clark London:
10 John Street, London WC1N 2EB

Tel: +44 (0) 20 7067 4300

Oury Clark Slough:
Herschel House, 58 Herschel Street
Slough SL1 1PG

Tel: +44 (0) 1753 551111



Disclaimer: This note does not contain a full statement of the law and it does not constitute legal advice. Please contact us if you have any questions about the information set out above.

Remittance basis

If you are resident in the UK but not domiciled here then you can choose to pay tax in the UK only on income earned here or brought into the UK (Remittance basis). In which case you don't have to pay UK tax on overseas income which you leave offshore.

If you want to use this basis of taxation and your non-UK income is over £2,000 per year you will lose the right to a tax free income tax allowance (UK personal tax allowance) and a tax free capital gains allowance (annual exempt amount).