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The *Residence, remittance basis etc.* pages are mainly for people who:

- are not resident in the UK
- are eligible to overseas workday relief
- arrived in the UK during this tax year and became resident
- are due split year treatment
- have a domicile outside the UK
- have foreign income and/or capital gains and want to use the remittance basis for 2013–14.

These notes are arranged in two parts. Pages RRN 2 to RRN 17 give advice on how to complete the boxes on the *Residence, remittance basis etc.* pages. More information about the relevant subject is given on pages RRN 17 to RRN 22.

You can find more detailed information about the topics covered in these notes in booklet RDR1 *Guidance Note: Residence, Domicile and the Remittance Basis*, which is available at hmrc.gov.uk/cnr/rdr1.pdf

Where we refer to your residence status for years prior to 2013–14, this must be determined under the previous rules. You can find more information on these in HMRC6 *Residence, Domicile and the Remittance Basis*, available at hmrc.gov.uk/cnr/hmrc6.pdf

More guidance

More information to help you understand your residence status is available at hmrc.gov.uk/international/rdr3.pdf

Residence status

Box 1 If you were not resident in the UK for 2013-14

From 6 April 2013 residence is defined in UK law. To determine your residence status for tax year 2013-14 you should initially consider the first automatic UK test, if you satisfy this you need look no further. If you do not meet this test you need to consider the three automatic overseas tests, if you satisfy any one of these tests then you are not resident in the UK for the tax year. If you do not meet any of these tests you will need to look at the second and third automatic UK tests, if you satisfy one of these tests then you are resident in the UK for the tax year. If none of these automatic tests apply you will need to look at the sufficient ties test to establish your residence status.

An online tool, the Tax Residence Indicator, is available to help you decide whether or not you are UK resident. You can find this at hmrc.gov.uk/international/residence.htm

Automatic overseas tests

- 1 You were resident in the UK in one or more of the tax years 2010-11, 2011-12 and 2012-13 and you spent fewer than 16 days in the UK in 2013-14.
- 2 You were not resident in the UK in any of the tax years 2010-11, 2011-12 or 2012-13 and you spent fewer than 46 days in the UK in 2013-14.
- 3 You worked full time overseas over the tax year 2013-14, without any significant breaks from overseas work, and:
 - spent fewer than 91 days in the UK in the tax year
 - worked in the UK for more than three hours a day on fewer than 31 days in the tax year.

You cannot make a claim to non-residence on the basis of the third test if you have a relevant job on board a vehicle, ship or aircraft and you make at least 6 cross border trips in the year that begin and/or end in the UK. Refer to paragraph 3.25 of RDR3 for more information if you have a relevant job. For more details of what counts as full time work overseas, please refer to the notes for box 8 and paragraph 1.8 of RDR3 *Guidance Note: Statutory Residence Test (SRT)*, available at hmrc.gov.uk/international/rdr3.pdf

Automatic UK tests

- 1 You spent 183 days or more in the UK in tax year 2013-14.
- 2 You had a home in the UK during all or part of tax year 2013-14 and met certain conditions in relation to that home. For more details of this test, please refer to paragraph 1.24 of RDR3, available at hmrc.gov.uk/international/rdr3.pdf
- 3 You worked full time in the UK for any period of 365 days all or part of which falls in tax year 2013-14; you have no significant breaks from UK work; and you meet certain conditions in relation to the total number of days that you work in the UK in 2013-14. For details of this test, please refer to paragraph 1.36 of RDR3, available at hmrc.gov.uk/international/rdr3.pdf

Sufficient ties test

If you do not meet any of the automatic tests then you must consider the sufficient ties test to determine your residence status. This test is a sliding scale; the more days you spent in the UK, the fewer the ties you need to be UK resident. The number of ties needed is shown in the table on page RRN 3.

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Days spent in the UK 2013–14

16 to 45

46 to 90

91 to 120

121 +

Resident in any of previous three tax years

At least four ties

At least three ties

At least two ties

At least one tie

Not resident in previous three tax years

All four ties

At least three ties

At least two ties

For more details of what counts as a tie to the UK, please refer to the notes for box 12.

If you are completing this return on behalf of someone who died during tax year 2013–14, you will need to refer to section 4 of the RDR3 for help to determine their residence status.

Box 2 If you are eligible for overseas workday relief for 2013–14

If you were resident but not ordinarily resident in the UK at 5 April 2013 and eligible for overseas workday relief (OWR) at that date under the rules that were in place prior to the introduction of the Statutory Residence Test (read HMRC6, chapter 7), you may be entitled to OWR for 2013–14 if you would have been entitled to the relief under the ‘old rules’. Read paragraph 18 of RDR4 *Guidance Note: Overseas Workday Relief (OWR)*, available at hmrc.gov.uk/international/rdr4.pdf

If your eligibility to OWR starts on or after 6 April 2013, then to be eligible for it you must:

- not be domiciled in the UK throughout tax year 2013–14
- claim to be taxed on the remittance basis
- not have been resident in the UK for any of the three tax years prior to 2013–14.

If you are eligible, you can claim OWR for three tax years including the year you became resident in the UK.

Please note the rules for OWR only apply for new claims from 2013–14.

If you were claiming to be resident but not ordinarily resident at 5 April 2013, then transitional rules will apply. For details please refer to paragraph 17 of RDR4 *Guidance Note: Overseas Workday Relief (OWR)*, available at hmrc.gov.uk/international/rdr4.pdf

More guidance

Go to hmrc.gov.uk/helpsheet278 to find more information about temporary non-residents and Capital Gains Tax.

Box 3 If your circumstances meet the criteria for split year treatment for 2013–14

Under the statutory residence test, you are either UK resident or non-resident for a full tax year, however if you are resident for 2013–14 you need to consider whether split year treatment applies to you. There are eight different cases in which the tax year can be split into two parts; a UK part for which you are charged to UK tax as a resident and an overseas part for which, for most purposes, you are charged to UK tax as a non-resident. The criteria for each of those cases are outlined below; you must meet all the conditions of each case. If you make an entry in box 3 you must include details of which split year cases apply to you in the ‘Any other information’ box, box 39. If you have come to the UK to live or work you should also enter in box 39 the date on which you consider the UK part of the split year to start. Or, if you have left the UK to live or work abroad you should give the date on which you consider the UK part of the split year to have ended.

Case 1 Starting full-time work overseas

You must:

- be UK resident in tax years 2012–13 and 2013–14
- be non-resident for tax year 2014–15 because you meet the third automatic overseas test
- satisfy the overseas work criteria for the overseas part of 2013–14.

Case 2 The partner of someone starting full-time work overseas

You must:

- be UK resident in tax years 2012–13 and 2013–14
- be non-resident for tax year 2014–15
- have a partner whose circumstances fall either within Case 1 for tax year 2013–14 or who concessionally received split year treatment for 2012–13 because they started working full-time overseas, read HMRC6, available at hmrc.gov.uk/cnr/hmrc6.pdf
- have been living together in the UK at some point in the tax year 2012–13 or 2013–14
- move overseas so you can live together while your partner is working overseas
- in the period beginning on your deemed departure day and ending on the last day of tax year 2013–14 either:
 - have no home in the UK or, if you have homes in both the UK and overseas, spend the greater part of the time living in the overseas home
 - spend no more than the permitted limit of days in the UK.

Case 3 Ceasing to have a home in the UK

You must:

- be UK resident in tax years 2012–13 and 2013–14
- be non-resident for tax year 2014–15
- have one or more homes in the UK at the start of tax year 2013–14 and at some point in the year cease to have any home in the UK for the rest of the tax year.

From the point you cease to have a home in the UK you must:

- spend fewer than 16 days in the UK
- in relation to a particular country, either:
 - become resident for tax purposes in that country within six months
 - be present in that country at the end of each day for six months, or
 - have your only home, or all your homes if you have more than one, in that country within six months.

Case 4 Starting to have a home in the UK only

You must:

- be UK resident in tax year 2013–14
- be non-resident for tax year 2012–13
- not meet the only home test at the start of tax year 2013–14 but at some point in the tax year meet the only home test and continue to do so until the end of the tax year
- not meet the sufficient UK ties test for the part of tax year 2013–14 before the day on which you meet the only home test.

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Case 5 Starting full-time work in the UK

You must:

- be UK resident in tax year 2013–14
- be non-resident for tax year 2012–13
- not meet the sufficient UK ties test for the part of tax year 2013–14 before the point you first meet the third automatic UK test.

Case 6 Ceasing full-time work overseas

You must:

- be UK resident in tax years 2013–14 and 2014–15
- be non-resident for tax year 2012–13 because you worked full-time overseas for the whole of the tax year under the rules in force prior to the statutory residence test, read HMRC6 at hmrc.gov.uk/cnr/hmrc6.pdf
- have been UK resident for one or more of the tax years 2008–09, 2009–10, 2010–11 or 2011–12
- satisfy the overseas work criteria for the overseas part of 2013–14.

Case 7 The partner of someone ceasing full-time work overseas

You must:

- be UK resident in tax years 2013–14 and 2014–15
- be non-resident for tax year 2012–13
- have a partner whose circumstances fall either within the criteria for Case 6 split year treatment in tax year 2013–14 or who concessionally received split year treatment for tax year 2012–13 because they ceased working full-time overseas, read HMRC6 at hmrc.gov.uk/cnr/hmrc6.pdf
- move to the UK on a day in tax year 2013–14 so you can continue to live together with your partner on their return or relocation to the UK
- in the part of the tax year 2013–14, before your deemed arrival day, either:
 - have had no home in the UK at any time, or
 - had homes both in the UK and overseas, and you spent the greater part of the time living in your overseas home
- not exceed the permitted limit of days spent in the UK in the overseas part of the tax year 2013–14 before the UK part of the year commenced.

Case 8 Starting to have a home in the UK

You must:

- be UK resident in tax years 2013–14 and 2014–15
- be non-resident for tax year 2012–13
- have no UK home at the beginning of tax year 2013–14 but start to have a UK home at some point during the tax year and continue to have a UK home for the rest of the tax year and for all of tax year 2014–15
- not have sufficient UK ties to make you UK resident in the period from the 6 April 2013 to the point you start to have a UK home.

In a number of the above cases you are asked to consider if you meet the sufficient ties test. You may be required to use an apportioned ties table. For more information on this and the details of split year treatment refer to section 5 of RDR3, available at hmrc.gov.uk/international/rdr3.pdf

If you have put an 'X' in box 3 you should make sure that you have not put an 'X' in box 1. Please complete box 6 or box 7 as appropriate.

Box 4 If you were resident in the UK for 2012-13

The statutory residence test only came into effect from 6 April 2013. Your residence status for earlier years cannot be determined by this test, and will depend on all the facts of your particular circumstances.

Put an 'X' in box 4 if you were resident in the UK for the tax year 2012-13, and

- you are not resident for the tax year 2013-14, or
- you are resident for the tax year 2013-14 and any case of split year treatment applies to you.

Box 5 If you have made an entry in box 2 and any of your foreign earnings are for an earlier year

If all or part of the overseas workday relief amount included in box 12 on page Ai 2 of the *Additional information* page is for money received in tax year 2013-14 but earned in an earlier tax year, please put an 'X' in box 5.

Boxes 6 and 7 Dates of arrival and departure

If you have come to live or work in the UK please enter the date you entered the UK in box 6.

If you were resident in the UK for the tax year 2013-14 because you met the first automatic UK test by spending 183 or more days here, please enter the first and last dates on which you were present in the UK during the tax year.

If you have completed an extended period of work in the UK or you have ceased to live here for other reasons, please enter the date you left in box 7.

Box 8 If you were resident in the UK in any of the previous three tax years

If you were resident in any of tax years 2010-11, 2011-12 or 2012-13, put an 'X' in box 8.

It is necessary when considering the automatic overseas tests and the sufficient ties tests to know if you were resident in any of the previous three tax years. The statutory residence test only came into effect from 6 April 2013 and as a result your residence status for earlier years will normally be determined by the facts of your particular circumstances. However you can make an election to determine your residence status for earlier years by reference to the statutory residence test. This will not affect your actual residence status or liability for earlier years; it simply allows you to use the statutory residence test to determine if you were resident in the three previous years for the purpose of establishing your current residence status. If you wish to make an election you should include details in the 'Any other information' box, box 39. Once an election has been made it is irrevocable.

Box 9 If you had a home overseas in 2013-14

Please put an 'X' in box 9 if you have a home overseas at any point during the 2013-14 tax year. Please read Annex A of RDR3 for more information about what constitutes a home.

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Box 10 *Number of days spent in the UK during 2013-14*

You should include in box 10 all the days during 2013-14 on which you were in the UK at the end of the day (at midnight). You must include in the total any days when you were in the UK at the end of the day due to exceptional circumstances (see box 11). You may exclude transit days from this figure. A transit day is a day when you arrive in the UK as a passenger and leave the next day. Between your arrival and departure you do not engage in any activities unrelated to your passage through the UK.

Deemed days

If you have been resident in the UK for one or more of the tax years 2010-11, 2011-12 or 2012-13, have at least three UK ties and you are present in the UK for 30 days without being present at midnight, the deeming rule applies. This means that any day over the first 30 that you are present in the UK at any point but are not here at midnight will be deemed as a UK day and must be included in your entry in box 10. For more details on deemed days read paragraph 3.3 of the RDR3, available at hmrc.gov.uk/international/rdr3.pdf

Box 11 *Number of days in box 10 attributed to exceptional circumstances*

You should show in box 11 the number of days spent in the UK because of exceptional circumstances beyond your control, for example, an illness that occurred while you were in the UK which prevented you from travelling. Other examples of exceptional circumstances would be national and local disasters, such as civil unrest, natural disasters and the outbreak of war.

The maximum number of days that can be attributed to exceptional circumstances is 60 in any tax year. Read Annex B of the RDR3 for more information on exceptional circumstances at hmrc.gov.uk/international/rdr3.pdf

Box 12 *How many ties to the UK did you have in 2013-14?*

Please enter in box 12 the number of UK ties you had in 2013-14. You should list which ties apply to you in the white space notes. The ties that you need to consider are as follows.

Family tie

You have a family tie if your:

- husband, wife or civil partner (unless you are separated)
- partner, who you live with as husband and wife or as civil partners
- child under the age of 18; special rules apply to children, please read RDR3 section 2 at hmrc.gov.uk/international/rdr3.pdf

is resident in the UK for 2013-14.

Accommodation tie

You have an accommodation tie for tax year 2013-14 if you have a place to live in the UK available to you for a continuous period of 91 days and you spend at least one night there in 2013-14. If the available accommodation is the home of a close relative you must spend at least 16 nights there for an accommodation tie to exist.

Work tie

You have a work tie if you do at least 40 days work in the UK in the tax year 2013-14. To count as a workday you must work for more than three hours.

90 day tie

You have a 90 day tie if in either of the tax years 2011–12 or 2012–13 you were in the UK for more than 90 days (that is, at midnight).

Country tie

You have a country tie if the UK is the country you are present in for the greatest number of midnights in the tax year 2013–14. This tie only needs to be considered if you were resident in one or more of the tax years 2010–11, 2011–12 and 2012–13.

Box 13 Number of workdays you spent in the UK

Please enter in box 13 the total number of days on which you worked for more than three hours in the UK in tax year 2013–14.

Box 14 Number of workdays you spent overseas

Please enter in box 14 the total number of days on which you worked for more than three hours overseas in tax year 2013–14.

Personal allowances

1 More guidance

For more general information on Double Taxation Agreements and entitlement to UK personal allowances, go to hmrc.gov.uk/taxtreaties/dtdigest.pdf

Claims for UK personal allowances for non-residents and dual residents

Helpsheet 304 *Non-residents – relief under Double Taxation Agreements* gives you information that will be useful to you in deciding if you are entitled to personal allowances.

Boxes 15 and 16 are not mutually exclusive. You may, if appropriate, complete both boxes.

Box 15 If you are entitled to claim personal allowances as a non-resident because of the terms of a Double Taxation Agreement

Please put an 'X' in box 15 if you satisfy one of the conditions listed in the three bullet points starting below and you are claiming personal allowances as a non-resident under the terms of a Double Taxation Agreement.

You also will need to get a certificate from the overseas tax authority stating that you are resident there for tax purposes for the period of the claim and, where appropriate, have documents (for example, a passport) to show that you are a national of that country. Please keep the certificate and documents in case they are needed later to support your claim.

The conditions are that:

- you are a **national** of Bulgaria, Israel and Jamaica, or
- you are a **national and a resident** of Argentina, Australia, Azerbaijan, Bangladesh, Belarus, Bolivia, Bosnia-Herzegovina, Botswana, Canada, China, Croatia, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Gambia, Iceland, India, Indonesia, Italy, Ivory Coast (Cote d'Ivoire), Japan, Jordan, Kazakhstan, Korea (Republic of), Latvia, Lesotho, Lithuania, Malaysia, Malta, Montenegro, Morocco, New Zealand, Nigeria, Norway, Oman, Pakistan, Papua New Guinea, Philippines, Romania, Russian Federation, Serbia, Slovak Republic (Slovakia), Slovenia, South Africa, Spain, Sri Lanka, Sudan, Switzerland, Taiwan, Tajikistan, Thailand, Trinidad and Tobago, Tunisia, Turkey, Turkmenistan, Uganda, Ukraine, Uzbekistan, Venezuela, Vietnam or Zimbabwe, or

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- you are a resident of Austria, Barbados, Belgium, Burma, Fiji, Greece, Ireland, Kenya, Luxembourg, Mauritius, Namibia, Netherlands, Portugal, Swaziland, Sweden, Switzerland or Zambia.

Exceptions:

You should not put an 'X' in box 15, if you are a resident of Kenya, Mauritius or Zambia or a resident but not a citizen, of Austria, Belgium, Luxembourg, Portugal, Sweden or Switzerland and your income consists solely of dividends, interest and royalties or any combination of them. If these conditions apply then you are not entitled to personal allowances.

Box 16 *If you are entitled to claim personal allowances as a non-resident on some other basis, or as a dual resident remittance basis user under the terms of certain Double Taxation Agreements (DTAs)*

Please put an 'X' in box 16 if you are not resident in the UK and, under one or more of the conditions listed below, are entitled under UK law to the same personal allowances and reliefs that would be available to you if you were resident in the UK.

The seven conditions are:

- you are a British citizen or a national of another member state of the European Economic Area (EEA). The EEA member states are: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovak Republic (Slovakia), Slovenia, Spain, Sweden and United Kingdom
- you are resident in the Isle of Man or the Channel Islands
- you have previously resided in the UK and are resident abroad for the sake of your health, or the health of a member of your family living with you
- you are, or have been, employed in the service of the British Crown
- you are employed in the service of any State under the protection of Her Majesty
- you are employed in the service of any missionary society
- you are a widow, widower or surviving civil partner whose late husband, wife or civil partner was in the service of the British Crown.

Dual residents claiming the remittance basis

If you claim the remittance basis and in the tax year you are resident in both the UK and in one of the countries listed below, you will keep your entitlement to UK personal allowances and the annual exempt amount (AEA) for chargeable gains, which an individual who is resident only in the UK and claiming the remittance basis is not entitled to.

Put an 'X' in box 16 if you:

- are completing box 28 claiming the remittance basis of taxation and an entry in box 29 is not appropriate, and you
- are claiming to be 'dual resident' and under the DTA that the UK has with the other country in which you are claiming to be resident, you are regarded as resident in that other country.

The list of countries is:

- Austria, Barbados, Belgium, Fiji, Ireland, Kenya, Luxembourg, Mauritius, Namibia, Netherlands, Portugal, Swaziland, Sweden, Switzerland and Zambia.

This is no longer an exclusion from online filing. However if this box is not completed, personal allowances will not be retained.

Enter details in the ‘Any other information’ box, box 39 of the other country in which you claim to be resident.

Box 17 *Enter the code(s) for the country or countries of which you are a national and/or resident*

Where you have put an ‘X’ in box 15 and/or box 16, you will need to enter in box 17 the code(s) for the country or countries of which you are a national and/or resident.

You can get the relevant country codes from pages FN 20 to FN 22 of the *Foreign notes*. Download these notes from hmrc.gov.uk/sa106-notes or phone the Self Assessment Orderline for a copy.

Residence in other countries and Double Taxation Relief

Box 18 *Enter the code(s) for the country or countries, other than the United Kingdom, in which you were resident for tax purposes for 2013-14*

Enter in box 18 the country code(s) for the country or countries (other than the United Kingdom (UK)) in which you were resident for tax purposes. You should complete this box even if you are resident in a country with which the UK does not have a Double Taxation Agreement. If you live or lived in a country that does not have a formal residence criterion for tax or other purposes, please use the code(s) for that country.

You can get the relevant country codes from pages FN 20 to FN 22 of the *Foreign notes* at hmrc.gov.uk/sa106-notes

Box 19 *If you were also resident in either or both of the countries entered in box 18 for 2012-13, enter the appropriate code(s)*

You should only put an entry in box 19 if you have put an ‘X’ in box 18, and you were also resident in either or both of the countries entered for box 18 in 2012-13 in addition to 2013-14. The same information provided for the completion of box 18 will also apply for box 19.

You can get the relevant country codes from pages FN 20 to FN 22 of the *Foreign notes*.

Box 20 *Amount of Double Taxation Agreement income for which partial relief is being claimed*

Complete box 20 if you are claiming partial relief from UK tax under a Double Taxation Agreement that does not require the UK to exempt the income but does limit the rate at which the UK can tax the income.

You should enter the amount of such income in this box so that it can be taken into account in determining any limit on loss relief or interest relief available to you for this year.

Income that is fully exempted from UK tax by a Double Taxation Agreement should not be included in the amount entered in this box.

More guidance

Pages RRN 17 and RRN 18 give more information about residence in other countries and Double Taxation Agreements.

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Box 21 *Relief under Double Taxation Agreements between the UK and other countries – amount claimed because of an agreement awarding residence to another country (see Helpsheet 302)*

Complete box 21 if you intend to claim relief under the terms of a Double Taxation Agreement as a ‘dual resident’.

In addition to completing box 21, complete and send in the appropriate claim form in Helpsheet 302 *Dual residents* in support of your claim, available at hmrc.gov.uk/helpsheet302

Where the statement of relief in terms of tax in box 21 would require the performance of unnecessary calculations, please put a brief explanatory note of the background to the claim in the ‘Any other information’ box, box 39.

Where you are claiming relief and you were resident for tax purposes in a country or countries with a tax year that fell partly within 2013–14 and partly within 2012–13, please give brief details in the ‘Any other information’ box, box 39. You will also need to get a certificate from the overseas tax authority showing that they regard you as a resident under the domestic tax law of that country for the period of claim.

Box 22 *Relief claimed because of other provisions of the relevant Double Taxation Agreements (see Helpsheet 304)*

Complete box 22 if you are a non-resident and want to make a claim for Double Taxation Relief. More details about the various types of income that relief can be claimed on, and where to go for more help and advice, are provided on pages RRN 17 and RRN 18.

Where the statement of relief in terms of tax in box 22 would require the performance of unnecessary calculations, please put a brief explanatory note of the background to the claim in the ‘Any other information’ box, box 39.

In addition to completing box 22, complete and send in the appropriate claim form in Helpsheet 304 *Non-residents – relief under Double Taxation Agreements*, available at hmrc.gov.uk/helpsheet304

Domicile

More guidance

More information to help you understand your domicile status is available online, go to hmrc.gov.uk/cnr/rdr1.pdf (the section on domicile) and on pages RRN 19 to RRN 22.

If you are not using the remittance basis of taxation, or your domicile is not otherwise relevant for the year ended 5 April 2014, do not complete boxes 23 to 27.

Temporary non-residence and capital gains

Broadly, capital gains made in years throughout which you were not resident in the UK may be taxable when you resume residence in the UK (on your year of return) if:

- you returned to the UK during 2013–14 following a period of residence abroad (the year of return)
- you became not resident in the UK in 2008–09, 2009–10, 2010–11, 2011–12 or 2012–13 (the ‘year of departure’)
- between the tax year when you were last resident, that is, the year of your departure, and the year of your return there were fewer than five full tax years, and
- you were resident or ordinarily resident for at least part of each of four out of the seven tax years immediately prior to the year of departure.

You can find more information about temporary non-residents and Capital Gains Tax in Helpsheet 278, available at hmrc.gov.uk/helpsheet278

If you are in doubt about whether gains from abroad have been received in the UK, or the precise amount of that income or gains, ask us or your tax adviser for help.

Box 23 *If you are domiciled outside the UK and it is relevant to your Income Tax or Capital Gains Tax liability*

If your domicile is relevant for the year ended 5 April 2014, put an 'X' in box 23. Please also complete boxes 24 to 27 as appropriate.

Box 24 *If 2013-14 is the first year you have told us that your domicile is outside the UK*

If 2013-14 is the first year that you have claimed to be domiciled outside the UK for tax purposes, please put an 'X' in box 24 even if you have never been domiciled within the UK.

Box 25 *If you have put 'X' in box 23 and have a domicile of origin within the UK, enter the date on which your domicile changed*

When completing box 25, if you do not have a specific date on which your domicile changed, please use 5 April at the end of the tax year in which the change took place. If the tax year is an approximation, please make a note of this in the 'Any other information' box, box 39.

Box 26 *If you were born in the UK but have never been domiciled here*

Please put 'X' in box 26 if you were born in the UK but your domicile of origin is outside the UK. Please also complete boxes 28 to 38 as appropriate.

Box 27 *If you have put 'X' in box 23 and you were born outside the UK, enter the date that you came to live in the UK*

The date in box 27 should be that on which you started to live in the UK as your home. In many cases the date that you came to live in the UK will be the same as the date on which you first became resident here for tax purposes.

The main exception will occur if you are resident in the UK simply because of the number of days that you have spent here. Please do not complete box 27 if you do not live in the UK.

Remittance basis

More guidance

More information about the remittance basis is given on pages RRN 20 to RRN 24.

If you are resident in the UK you will normally pay tax on the 'arising basis'. This means that you will pay tax on all of your income as it arises and on your gains as they accrue, wherever that income and those gains are in the world. You can find more information on the arising basis in *RDR1 Guidance Note: Residence, Domicile and the Remittance Basis*, available at hmrc.gov.uk/cnr/rdr1.pdf

The remittance basis is an alternative basis of taxation that is available to some individuals who are resident in the UK. You can claim the remittance basis by completing box 28.

If you do not want to claim the remittance basis for 2013-14 do not complete boxes 28 to 38.

Contacts

To download the form and related helpsheets go to hmrc.gov.uk/sa109

For more information about Self Assessment go to hmrc.gov.uk/sa or hmrc.gov.uk/sacontactus

Box 28 *If you are making a claim for the remittance basis for 2013-14*

You can claim to be taxed on the remittance basis on your foreign income and gains if you are resident but not domiciled in the UK (you have put an 'X' in box 23).

If you are claiming the remittance basis, put an 'X' in box 28. You must also complete box 23 to confirm your status. You should also complete boxes 29 to 32 as appropriate.

If you have completed box 12 on page Ai 2 of the *Additional information* pages (see page AiN 18 of the *Additional information notes*) on the basis the amount is not taxable because it has not been remitted to the UK, then you must also complete box 28 of the *Residence, remittance basis etc. pages*.

Box 29 on the *Residence, remittance basis etc.* pages should not be completed if the amount you are entering in box 12 is more than £1,999.

Box 29 *If your unremitted income and capital gains for 2013-14 is less than £2,000*

Put an 'X' in this box if:

- you are claiming the remittance basis in 2013-14, and
- you have foreign income and/or gains arising in 2013-14, and
- less than £2,000 of this foreign income and/or gains remains unremitted to the UK at 5 April 2014.

If you have put an 'X' in this box you must also put an 'X' in box 28, and also in boxes 30, 31 and 32 if appropriate.

Having less than £2,000 unremitted foreign income and/or gains means that you can use the remittance basis without losing your entitlement to UK personal allowances and the annual exempt amount (AEA) for chargeable gains.

If you have less than £2,000 unremitted foreign income and/or gains from the tax year, you do not have to complete a tax return just to tell us you are using the remittance basis; but if you have requested or have been sent a tax return then you must complete and send it to us.

Foreign income and/or gains received in currency other than sterling

More guidance

More detailed information about exchange rates is available in the Residence, Domicile and Remittance manual. Go to hmrc.gov.uk/manualsa-z

Exchange rates can be found at hmrc.gov.uk/extrate

To calculate the amount of your foreign income which is not remitted so as to determine whether your unremitted income and gains for the year is below £2,000, you should, for each currency, deduct the total foreign income of the tax year that was remitted in the year from the total foreign income arising in the tax year. Translate the balance for each currency into sterling using the exchange rate on the last day of the tax year (5 April 2014) and total the sterling amounts to calculate the amount of 'unremitted' foreign income.

This method of calculation applies for determining the amount of unremitted foreign income for the under £2,000 threshold purpose only. A different method is used for calculating the amount of foreign income remitted.

To calculate the amount of your unremitted foreign chargeable gains use sterling translations at the date of acquisition and the date of disposal.

Box 30 *If you were UK resident for 2013-14 and for 12 or more of the preceding 14 tax years*

Put an 'X' in box 30 if:

- you have been a long-term resident in the UK, that is, you have been resident for 12 or more of the previous 14 tax years, and
- you are claiming the remittance basis of taxation for 2013-14 and have put an 'X' in box 28.

If this applies to you then you will pay the remittance basis charge (RBC) of £50,000 unless one of the exceptions below applies – see the notes on page RRN 18. The only exceptions where you do not have to pay the RBC are if:

- you have less than £2,000 unremitted foreign income and/or gains from 2013-14. If this applies complete box 29, or
- you were under 18 at 5 April 2014. If this applies also complete box 32.

If you put an 'X' in box 31 (but not in boxes 29 or 32 because they do not apply) then you should also complete boxes 33 to 39 as appropriate.

Box 31 *If you were UK resident for 2013-14 and for seven or more of the preceding nine tax years*

Put an 'X' in box 30 if:

- you have been resident in the UK, for seven or more of the previous nine tax years, (but less than 12 of the previous 14 tax years), and
- you are claiming the remittance basis of taxation for 2013-14 and have put an 'X' in box 28.

If this applies to you then you must pay the remittance basis charge (RBC) of £30,000 unless one of the exceptions below applies – see the notes on page RRN 22.

The only exceptions where you do not have to pay the RBC are if:

- you have less than £2,000 unremitted foreign income and/or gains from 2013-14. If this applies complete box 29, or
- you were under 18 at 5 April 2014. If this applies also complete box 32.

If you put an 'X' in box 31 (but not in box 29 or box 32 because they do not apply) then you should also complete boxes 33 to 39 as appropriate.

Box 32 *If you were under 18 on 5 April 2014*

More guidance

Exchange rates can be found at hmrc.gov.uk/exrate

If box 32 applies to you because you were under 18 years of age at 5 April 2014, you will not need to pay the remittance basis charge (RBC), even if you are a 'long-term resident' and have completed box 30 or box 31.

However, you will still lose your entitlement to personal allowances and the annual exempt amount (AEA) if you have completed box 28 and claimed the remittance basis, unless you have less than £2,000 unremitted foreign income and/or gains for 2013-14 and so have also completed box 29.

If you are calculating your own tax do not forget to reflect the loss of allowances in your tax calculation.

Boxes 33 and 34 *Amount of nominated income/capital gains*

If you put an 'X' only in boxes 28 and 30 or box 31 you must also complete boxes 33 and 34.

Contacts

To download the form and related helpsheets go to hmrc.gov.uk/sa109

For more information about Self Assessment go to hmrc.gov.uk/sa or hmrc.gov.uk/sacontactus

The remittance basis charge (RBC) is Income Tax, Capital Gains Tax, or a combination of the two, charged on unremitted foreign income and/or gains on the arising basis. When you pay the RBC you must tell us on what income or gains the RBC is chargeable by nominating the appropriate income and/or gains. You do this by entering the amount of nominated income in box 33 and/or entering the nominated foreign gains in box 34.

For the purposes of determining the amount of nominated foreign income you should convert each amount into sterling at the rate of exchange at the time when the income arose. Foreign gains are always computed in pounds sterling using the rates of exchange prevailing at the time when the gain is computed and when allowable expenditure was incurred.

The Capital Gains Tax rate for individuals is 18% or 28%. The tax rate depends on the total amount of your taxable income. You can find details of the Capital Gains Tax rates in the *Capital gains summary notes*, available at hmrc.gov.uk/sa108-notes

Example 1 Nominating both foreign income and/or capital gains

Henri has claimed the remittance basis and has been UK resident for the past 12 years and his unremitted foreign income for the year 2013-14 is as follows:

Foreign bank interest	£80,000
Foreign employment income	£80,000
Foreign capital gains	£100,000

Henri is a higher-rate taxpayer, and due to the level of his income is liable to the additional 45% tax rate (payable on any income over £150,000), so his RBC calculation is as follows.

He decides to nominate £74,612 of his bank interest and £70,000 of his capital gains.

£11,112 x 45% = £5,000 Income Tax

£63,500 x 40% = £25,400 Income Tax

£70,000 x 28% = £19,600 Capital Gains Tax

Henri would enter the £74,612 nominated income amount in box 33 and the £70,000 nominated capital gains amount in box 34.

If you are calculating your own tax, the Income Tax or Capital Gains Tax elements of the RBC will need to be included in the amount of total tax.

If you are using the *Tax calculation summary* page add either £30,000 or £50,000 to the amount in box 1. Do not forget to reflect loss of personal allowances and AEA in your tax calculation.

The Income Tax element of the RBC which relates to nominated income will be available to cover UK Gift Aid donations.

If you are liable to pay the RBC, you must enter a nominated figure of at least £1 in either box 33 or box 34. If you do not nominate enough income and/or capital gains liable to produce either the £30,000 or £50,000 RBC then, as well as what you actually nominated, you will be treated as nominating sufficient additional income to increase the RBC to either £30,000 or £50,000 whichever is applicable. However, there are consequences in relation to Foreign Tax Credit Relief and the prevention of double taxation if you choose to make an insufficient or under-nomination. You should refer to the additional guidance and look at the examples in the Residence, Domicile and Remittance manual, available at hmrc.gov.uk/manualsa-z

Example 2

Ben has claimed the remittance basis for 2013-14 and his unremitted foreign income and/or gains are as follows:

Foreign bank interest	£75,000
Foreign employment income	£80,000
Foreign capital gains	£25,000

Ben is a higher-rate taxpayer. He chooses to nominate only his £25,000 capital gains.

The RBC so far consists of:

$$£25,000 \times 28\% = £7,000 \text{ Capital Gains Tax}$$

In this case the RBC must total £30,000, so an amount of Income Tax of £23,000 is required. Therefore, £56,806 of additional income is to be 'treated' as nominated, as Ben's income exceeds £150,000 he will be liable to the 45% additional rate band

$$£5,556 \times 45\% = £2,500 \text{ Income Tax}$$

$$£51,250 \times 40\% = £20,500 \text{ Income Tax}$$

The RBC therefore consists of £7,000 Capital Gains Tax and £23,000 Income Tax.

You should provide additional information about your nominated income and gains in the 'Any other information' box, box 39 (see the notes for box 39).

Box 35 *Adjustment to payments on account for capital gains*

If you have made a nomination of capital gains in box 34, then you must complete box 35.

Only the Income Tax element of the RBC is taken into account in calculating the payments on account. Capital Gains Tax is never included in calculations of payments on account and any part of the RBC coming from capital gains will not form part of the following years payments on account. Please enter the amount of Capital Gains Tax included in either the £30,000 or the £50,000 RBC.

If you are calculating your own tax, please exclude the amount in box 35 in your calculation of payments on account. If you are using the *Tax calculation summary* page, your first payment on account for 2014-15 in box 10 will not include any part of the amount in box 35.

Box 36 *If you have remitted nominated income or gains during 2013-14*

Put an 'X' in box 36 if you have remitted any nominated foreign income and/or gains in excess of £10 for any tax year during 2013-14. If the amount of remitted nominated income and/or gains covers more than one year, please give a breakdown in the 'Any other information' box, box 39.

Any of the foreign income and/or gains which you have nominated and which you remit to the UK will not be taxed again. However, there are certain ordering rules if you remit any nominated foreign income and/or gains in excess of £10 while any foreign income and/or gains that were not so nominated remain overseas.

You can remit nominated income and/or gains for any tax year for which a nomination has been made without becoming subject to the identification rules as long as it is within the £10 aggregate limit.

i Contacts

To download the form and related helpsheets go to hmrc.gov.uk/sa109

For more information about Self Assessment go to hmrc.gov.uk/sa or hmrc.gov.uk/sacontactus

Box 37 If you are claiming relief from UK tax for foreign income and/or gains invested in a qualifying business during 2013-14

If you have made any investments in qualifying companies under the business investment relief provisions for remittance basis taxpayers you should complete box 37.

Box 38 If you have previously claimed relief for a qualifying investment and the investment no longer qualifies for relief

You should put an 'X' in box 38 and then give details of the amount of the investment that no longer qualifies together with the company registration number in the 'Any other information' box, box 39.

Box 39 Any other information

You must give details if you have completed boxes 33 or 34, 35 and 38. We need this information to validate your nomination, and to confirm any UK Gift Aid donations, Double Taxation Relief claims and so forth.

You should identify the precise income and gains you have nominated at boxes 33 and/or 34, including the country of origin and the type and source of the income (for example, the bank account or employment to which it relates), show the computation of the gain (if applicable) and the exchange rates used.

If you have deducted any expenses or losses from the income or gains in arriving at the final taxable amount, then full details of the amounts and nature of those expenses or losses must also be given.

All other additional information asked for in boxes 13, 21, 22 and 36 should also be included here.

More information

Considering your residence status

It is important that you understand how to work out if you are resident in the UK (England, Wales, Scotland and Northern Ireland) as your individual circumstances will affect what UK tax you need to pay.

For more information on how to determine your residence status please refer to RDR3 *Guidance Note: Statutory Residence Test (SRT)*, available at hmrc.gov.uk/international/rdr3.pdf

Residence in other countries and Double Taxation Relief

Double Taxation Agreements

A Double Taxation Agreement (DTA) is an arrangement between the governments of two countries to resolve taxation issues affecting them both. Agreements contain detailed provisions designed to eliminate, or relieve, the double taxation that can occur when income arises in one country to a resident of another. They do this by either exempting the income from tax in one country, or by reducing the rate at which tax is charged in one country and allowing credit for that reduced rate of tax in the other.

i More guidance

If you are resident in the UK and another country, please see chapter 12 of RDR1 which tells you about Double Taxation Agreements (DTAs). Go to hmrc.gov.uk/cnr/rdr1.pdf

Double Taxation Relief – dual residence

It is possible to be resident in the UK under our tax rules and at the same time be considered as resident in another country under that country's rules. This is called dual resident.

If the other country is one with which the UK has a DTA, the agreement will usually provide special rules for determining in which of the two countries you are regarded as a resident (but only for the purpose of applying its detailed provisions).

If you are dual resident, you may be entitled to claim the exemptions and reliefs from UK tax granted to residents of that other country.

The rules for determining residence for the purposes of a DTA can be complex. For example, they look at your 'permanent home', your personal and economic relations with both countries, where you have an 'habitual abode', and your nationality. Some of these terms have special meanings and interpretation of them is not always straightforward. Not all agreements have identical rules, or a similar effect on tax liability.

You can find the precise conditions for exemption or relief in the relevant agreement. If you need more help, ask us or your tax adviser. Helpsheets 302 *Dual residents* gives you information that will allow you to decide whether you are a resident of the UK or another country for the purposes of applying the provisions of the DTA between the UK and that other country.

Non-UK residents and Double Taxation Agreements

If you are not resident in the UK but resident in a country with which the UK has a DTA, you may be able to get relief from UK tax under the terms of that agreement for income arising in the UK from:

- pensions (although only a few agreements allow relief for UK government pensions) and some annuities
- royalties
- property income distributions
- interest.

Some agreements require you to be subject to tax in the other country on the income in question, before you get relief from UK tax. You can find the precise conditions for exemption or relief in the relevant agreement. It is not possible to give full details here as they vary between agreements. To claim Double Taxation Relief download Helpsheet 304 *Non-residents – relief under Double Taxation Agreements*, from hmrc.gov.uk/helpsheet304 or phone the Self Assessment Orderline for a copy, and complete box 21 to claim relief.

Non-residents and UK property income

More guidance

To help you determine your residence and domicile status, go to hmrc.gov.uk/cnr/rdr1.pdf

Even though you may be not resident in the UK you could be liable to UK tax on income arising in the UK, including property income. This is so whether or not tax is deducted by your letting agent or tenants, if there is no letting agent. You should complete the *UK property* pages, available at hmrc.gov.uk/sa105 or phone the Self Assessment Orderline for a copy.

You are not liable to UK tax if your total UK taxable income (including net property income) is less than any UK tax allowance to which you may be entitled.

A non-resident individual who is entitled to UK property income may, in certain circumstances, apply to receive that income with no tax deducted. Ask us about this. You should complete the *UK property* pages.

Contacts

To download the form and related helpsheets go to hmrc.gov.uk/sa109

For more information about Self Assessment go to hmrc.gov.uk/sa or hmrc.gov.uk/sacontactus

Domicile

If you are not resident in the UK you will not usually need to consider domicile for Income Tax and Capital Gains Tax purposes. Domicile is relevant only if you have foreign income and/or gains during a tax year. If you do not, then your domicile status has no bearing on your UK Income Tax or Capital Gains Tax liability.

Domicile is a general law concept and may have wider implications for your personal affairs. There are many factors that affect your domicile. Some of the main points you should consider if you are claiming not to be domiciled in the UK are:

- you cannot be without a domicile
- you can only have one domicile at a time
- you are normally domiciled in the country where you have your permanent home
- your existing domicile will continue until you acquire a new one
- domicile is distinct from nationality and residence, although both can have an impact on your domicile. You may be resident in the UK but have a domicile somewhere else
- the fact that you register and vote as an overseas elector is not normally taken into account when deciding whether or not you are domiciled in the UK.

References to being domiciled in the UK are references to being domiciled in any part of the UK.

There are three types of domicile for Income Tax and Capital Gains Tax purposes:

- domicile of origin
- domicile of choice
- domicile of dependence.

Domicile of origin

You normally acquire a domicile of origin from your father when you are born. It need not be the country in which you were born. A domicile of origin may change as a result of adoption and is not easy to displace. For example, even if you leave the country of your domicile of origin, you will continue to be domiciled there until you acquire a domicile of choice elsewhere.

Domicile of choice

You have a legal capacity to acquire a new domicile at the age of 16. Broadly, to acquire a domicile of choice, you must leave your current country of domicile and settle in another country.

Domicile of dependence

Until you have the legal capacity to change it, your domicile will follow that of the person on whom you are legally dependent. If the domicile of that person changes, you will automatically acquire the same domicile, in place of your domicile of origin.

Before 1974 a married woman automatically acquired her husband's domicile. As a married woman who married before 1974, you would keep your husband's domicile until you legally acquire a new domicile. An exception to this rule is the DTA between the UK and the USA, which provides that a marriage before 1974 between a woman who is a US national and a man domiciled within the UK is deemed to have taken place on 1 January 1974.

More guidance

More guidance on all of the remittance basis rules is available in RDR1 or in the remittances technical manual. Go to hmrc.gov.uk/manualsa-z

Relevance of your domicile to your tax liability

Having read the guidelines on 'Domicile' on page RRN 19, if you think you are not domiciled in the UK you must now decide whether domicile has any immediate relevance to your UK tax liability. Your domicile status is generally only relevant if you are claiming the remittance basis of taxation for 2013–14 for your foreign income and/or gains; please see the notes starting below.

Remittance basis

Substantial changes were made to the remittance basis of taxation from 6 April 2008, with further changes from 6 April 2012. If you have used the remittance basis in previous years and have remitted any income or gains in 2013–14, and/or if you are planning to use the remittance basis this year, you are strongly advised to also look at the additional guidance on our website which gives more detail on all these changes.

If you do not claim to use the remittance basis you will usually be taxed on your worldwide income and gains in the normal way. You may also be chargeable on any income and gains that arose in a previous year, a year for which you were taxed on the remittance basis if they are brought to, received or used in the UK in the year.

Using the remittance basis without completing a tax return

Normally you must claim to use the remittance basis on these pages of your tax return. However in some circumstances, and as long as you meet certain requirements, you may be taxed on the remittance basis without needing to complete a tax return. Broadly, this will apply only if you are not domiciled in the UK but are working here and you have:

- remitted foreign income and/or gains of less than £2,000 for the tax year, or
- you have been resident in the UK for fewer than seven of the nine tax years before 2013–14 and
 - you have no foreign income and/or gains and no UK income and gains (except taxed UK investment income of less than £100), and
 - you had no taxable remittances of your foreign income and/or gains to the UK during 2013–14.

Even if these criteria apply, if you need to complete a tax return for some other reason, for example, you receive an untaxed source of income, you should claim the remittance basis using box 28.

If you meet the necessary 'requirements' above but you do not want the remittance basis to apply automatically, you will need to complete a tax return declaring your foreign income and/or gains on the normal arising basis. You do not need to complete these SA109 pages, but you may want to note that you are not using the remittance basis in the 'Any other information' box, box 19 on your tax return.

For more information on this you can refer to RDR1 *Guidance Note: Residence, Domicile and the Remittance Basis*.

Consequences of claiming the remittance basis

If you claim the remittance basis this means that you are liable to UK tax on your foreign income and/or gains only when these are remitted, that is brought to, or received or used in the UK in any way (see page RRN 23 for the meaning of 'remitted to the UK'). You should enter the full amount only of what you have remitted to the UK in 2013–14 in the relevant boxes on your tax return.

Contacts

To download the form and related helpsheets go to hmrc.gov.uk/sa109

For more information about Self Assessment go to hmrc.gov.uk/sa or hmrc.gov.uk/sacontactus

Example 3

Ian is resident but not domiciled in the UK. He has claimed the remittance basis for 2013-14, and for earlier years too. He opened an overseas interest-bearing bank account in 2009-10 and interest arose as follows:

2010-11	2011-12	2012-13	2013-14
£200	£400	£500	£500

If none of the interest was received in the UK in 2010-11, 2011-12 or 2012-13, but £800 was brought to the UK in 2013-14, Ian will be liable to UK Income Tax for 2013-14 on £800, even though only £500 arose in that year. Ian will enter £800 on the *Foreign* pages.

If you do not want to use the remittance basis for foreign income and/or gains arising in 2013-14 do not complete boxes 28 to 38. Instead, you should enter all your income and gains arising in 2013-14 on your tax return. If you used the remittance basis in earlier years you should also tell us about any remittances of foreign income and/or gains that arose in those earlier years but were remitted in 2013-14, on the relevant pages of your tax return.

Loss of personal allowances and annual exempt amount

If you claim the remittance basis of taxation for 2013-14 you will lose your entitlement to UK personal allowances and the annual exempt amount (AEA) for capital gains, unless box 29 applies to you. If you are calculating your own tax, do not forget to reflect the loss of these in your tax calculation.

The main exception to this is where you have foreign income and/or gains arising in 2013-14 of which less than £2,000 remains unremitted to the UK at 5 April 2014. You will keep your personal allowances in this situation. For more information read RDR1 *Guidance Note: Residence, Domicile and the Remittance Basis*, available at hmrc.gov.uk/cnr/rdr1.pdf

Dual residents

The other exception is if you are 'dual resident' (see page RRN 17), you should now complete box 16 where this is the case. Box 16 provides more details on this point.

Example 4

Martha is resident but not domiciled in the UK in 2013-14.

She receives interest of £20,000 on an offshore bank account, of which she transfers £19,000 to the UK in 2013-14. She has no other foreign income or gains in the year.

Martha decides to use the remittance basis. She shows £19,000 interest on the *Foreign* pages. She has less than £2,000 unremitted income and gains from 2013-14 so she will not lose her personal allowances and annual exempt amount (AEA).

Remittance basis charge

If you claim the remittance basis for 2013-14 and you have been resident in the UK for seven or more of the previous nine tax years (that is, at least seven out of the tax years between 2004-05 and 2012-13), you may have to pay the remittance basis charge (RBC) of £30,000. If you have been resident in the UK for 12 or more of the previous 14 tax years (that is, at least 12 out of the tax years between 1999-2000 and 2012-13), you may have to pay the remittance basis charge (RBC) of £50,000. The RBC is an annual tax charge of either £30,000 or £50,000 for nominated foreign income and/or gains left outside the UK. It is chargeable in addition to any UK tax due on any foreign income and/or gains remitted to the UK.

Example 5

Wayne is resident in the UK in 2013-14. His offshore income and capital gains are £200,000. Wayne has been resident in the UK for the preceding years as follows:

2004-05
2007-08
2008-09
2009-10
2010-11
2011-12, and
2012-13

Wayne lived in Spain during tax years 2005-06 and 2006-07.

He has therefore been resident for seven of the preceding nine years and so he must pay the RBC of £30,000 if he wants to use the remittance basis in 2013-14.

You may not have to pay the remittance basis charge in certain circumstances. This will depend upon your age and the amount of your foreign income and/or gains. The notes for boxes 29 and 33 provide more information about this.

High Income Child Benefit Charge

More guidance

More information on 'Remitted income and gains' can be found in both the glossary in section 1 and in section 5 covering the 'Remittance basis' in HMRC6. Go to hmrc.gov.uk/cnr/hmrc6.pdf

If you pay the remittance basis charge (RBC) you may become liable to the High Income Child Benefit Charge (HICBC) even if you have little or no UK income. This is because the foreign income you nominate to generate the RBC will usually be more than the £50,000 income threshold that triggers the HICBC. This will be the case even if you nominate only a small amount of foreign income.

If your nomination is of foreign capital gains it is possible you may not be liable to the HICBC as the Child Benefit Charge is only triggered by income and not gains. A small capital gains nomination would not achieve this as the remainder of the nomination would be deemed to be from unremitted foreign income.

Paying the remittance basis charge (RBC)

If you pay the RBC from outside the UK with untaxed income or gains, it will not be treated as a remittance in the year provided the payment is made direct to us by cheque, or electronic transfer.

If the claim to the remittance basis is later withdrawn and the £30,000 or the £50,000 is repaid to you, it will be regarded as a remittance when the repayment is made and will be subject to UK tax.

If you make a payment on account in anticipation to a claim to remittance basis that you do not subsequently make, then if money equal to this amount is taken offshore by 15 March 2015 it will not be regarded as a taxable remittance.

Contacts

To download the form and related helpsheets go to hmrc.gov.uk/sa109

For more information about Self Assessment go to hmrc.gov.uk/sa or hmrc.gov.uk/sacontactus

Meaning of 'remitted to the UK'

Income or gains are 'remitted to the UK' if money or property is brought to, or received in, or used in the UK or if a service is provided in the UK and paid for with foreign income and/or gains. The precise method of remittance makes no difference. Any commercially recognised form of money, such as cash, notes, cheques, promissory notes, bills of exchange or financial credit, can constitute a taxable remittance.

The rules regarding what constitutes a remittance have changed considerably from 6 April 2008, and the definitions of a remittance may include remittances made to or by relevant persons, which includes your spouse or civil partner, and minor children or grandchildren. If you bring in money or other property to the UK or if you benefit from or use your foreign income and/or gains in relation to a service provided in the UK, there may be a taxable remittance.

There are also rules relating to debts connected to UK property, and gifts to gift recipients. The money or property does not have to be physically imported from overseas. It may, for example, be received in the UK from another UK resident, in return for money, or assets representing income or gains, being transferred to them abroad.

Election of foreign losses

The election of foreign losses will need to be considered if you are not domiciled in the UK and want to offset any overseas losses against your foreign chargeable gains. This must be done as part of your claim to the remittance basis, and should be made on the *Capital gains summary* pages of the tax return. The election can be made in the 'Any other information' box on the *Capital gains summary* pages and should **not** be made on these pages.

Please note, it will not be possible to make an election after the first year in which the remittance basis is claimed from 2008–09 onwards.

You can find more information on this subject in guidance note *HMRC6 Residence, Domicile and the Remittance Basis*, available at hmrc.gov.uk/cnr/hmrc6.pdf

Temporary non-residents and the remittance basis

The rules on temporary non-residents may apply to any remittances in 2013–14 of relevant foreign income that arose in years up to and including the year ending 5 April 2013, if you were resident in the UK and claimed the remittance basis in those earlier years.

Broadly, relevant foreign income is foreign income other than foreign employment income. Any remittances made in years throughout which you were not resident in the UK may be taxable when you resume residence in the UK (in your 'year of return') if:

- you returned to the UK during 2013–14 following a period of residence abroad (the year of return)
- you became not resident in the UK in 2008–09, 2009–10, 2010–11, 2011–12 or 2012–13 (the 'year of departure')
- between the tax year when you were last resident, that is, the year of your departure and the year of your return, there were fewer than five full tax years, and
- you were resident or ordinarily resident for at least part of each of four out of the seven tax years immediately prior to the year of departure.

Information

- Go to hmrc.gov.uk/contactus
- Phone the SA Helpline on **0300 200 3310**.
- Phone the SA Orderline on **0300 200 3610** for paper copies of the helpsheets and forms.

There are comparable rules for chargeable gains accruing to temporary non-residents. You can find more information in *Helpsheet 278 Temporary non-residents and Capital Gains Tax*, available at hmrc.gov.uk/helpsheet278

If temporary non-residence is claimed then a declaration will need to be made on the *Foreign* pages. You should provide more details in the 'Any other information' box, box 39.

You can find more details on the temporary non-resident rules in *RDR1 Guidance Note: Residence, Domicile and the Remittance Basis*.

If you are in doubt about whether income or gains from abroad have been received in the UK, or the precise amount of that income or those gains, ask us or your tax adviser for help.

More advice

Special rules apply to some people working abroad. You can get more help from our offices as follows.

Crown employees or pensioners (for example, civil servants, diplomats, members of the armed forces)

South Wales Area, Cardiff (Compliance)

Residence Group 15 East

Ty Glas

Llanishen

CARDIFF

WALES CF14 5FP

Phone: 029 2032 5048 (from UK) 00 44 161 931 9070 (from overseas)

email: via our website at hmrc.gov.uk/cnr/email.htm

Merchant Navy seafarers

South Wales Area, Cardiff (Compliance)

Marine Group 15 East

Ty Glas

Llanishen

CARDIFF

WALES CF14 5FP

Phone: 029 2032 5045 (from UK) 00 44 161 931 9070 (from overseas)

email: via our website at hmrc.gov.uk/cnr/email.htm

Non-resident entertainers and sportspersons

HMRC Personal Tax International

Foreign Entertainers Unit

St John's House

Merton Road

LIVERPOOL

ENGLAND L75 1BB

Phone: 03000 547395 (from UK) 00 44 3000 547395 (from overseas)

These notes are for guidance only and reflect the position at the time of writing. They do not affect the right of appeal.