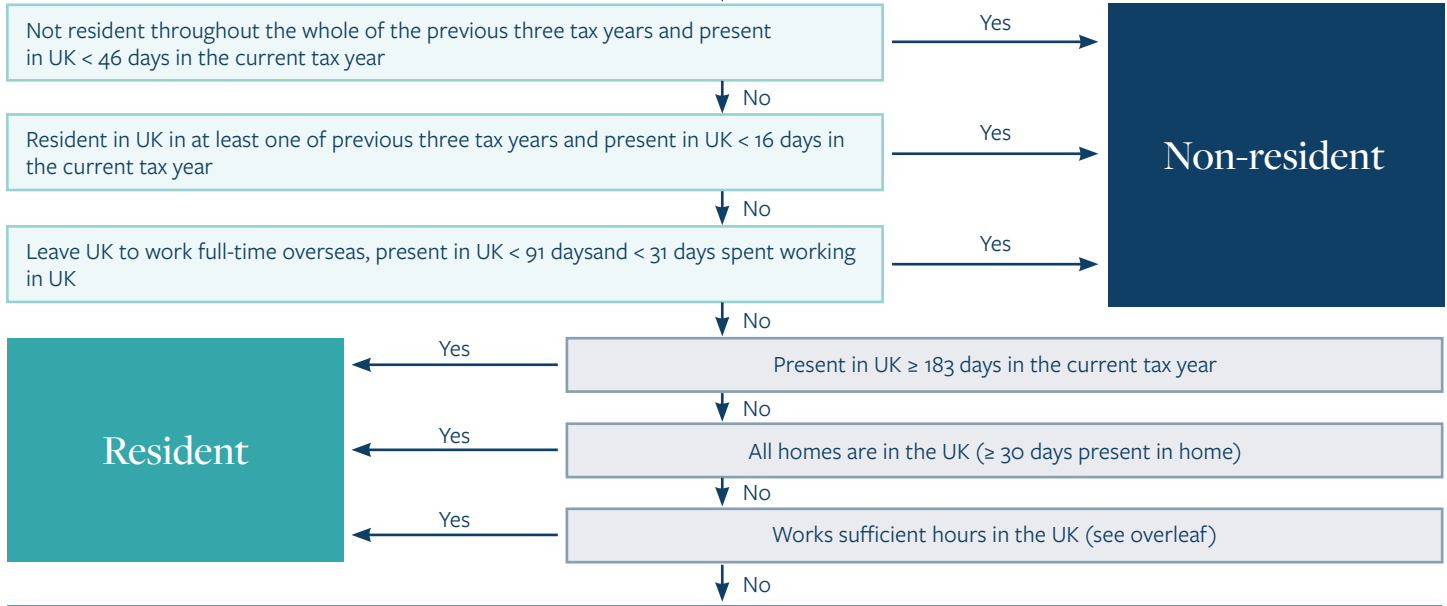




Start

Flowchart for individual, not trusts or other entities, where the individual is alive throughout the tax year



Not resident in UK throughout all of the previous three tax years

Yes

No

The number of ties below, together with whether resident at any time in the three previous years and the number of days spent in the UK, determine the individual's residence status for the tax year as shown in the table below.

Inbound	
UK Resident Family	
Substantive UK Employment ≥ 40 UK days in tax year	
Accessible UK Accommodation stayed in ≥ 1 night	
Present ≥ 91 days in either of previous two tax years	
Total Ties	

Outbound	
UK Resident Family	
Substantive UK Employment ≥ 40 UK days in tax year	
Accessible UK Accommodation stayed in ≥ 1 night	
Present ≥ 91 days in either of previous two tax years	
Present in UK ≥ any other single country	
Total Ties	

	When non resident throughout the three prior tax years				When resident at any time in the three prior tax years				
	1 or No UK ties	2 UK ties	3 UK ties	4+ UK ties	No UK ties	1 UK ties	2 UK ties	3 UK ties	4+ UK ties
Number of days in the UK in a tax year									
Fewer than 16 days	NR	NR	NR	NR	NR	NR	NR	NR	NR
16 to 45 days	NR	NR	NR	NR	NR	NR	NR	NR	R
46 to 90 days	NR	NR	NR	R	NR	NR	NR	R	R
91 to 120 days	NR	NR	R	R	NR	NR	R	R	R
121 to 182 days	NR	R	R	R	NR	R	R	R	R
183 days plus	R	R	R	R	R	R	R	R	R

This flowchart and the notes overleaf are intended to summarise how the Statutory Residence Test determines residence status in the UK. However the legislation comprises over 60 pages of rules and definitions. HMRC have also issued over 100 pages of guidance. Accordingly the information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.



Days spent in the UK

For SRT purposes a 'day' is counted if the individual is in the UK at the end of it.

However, he is not treated as spending a day in the UK if the day is considered a transit day with no work carried out, or they are in the UK for reasons beyond their control for up to 60 days.

In certain circumstances an individual will be deemed to spend a day in the UK even though he is not in the UK at the end of the day.

Working full-time overseas (WFTO)

The individual must work an average of 35 hours per week overseas (not including certain defined days) in the tax year.

There must be no significant breaks from overseas work and they must spend fewer than 91 days in the UK and work, for more than 3 hours a day, in the UK for less than 31 days.

All homes are in the UK

An individual will be regarded as resident if they have a home in the UK for more than 90 days in which the individual is present on at least 30 separate days in the relevant tax year.

In addition for 91 consecutive days, at least 30 of which are in the tax year, the individual must have no home overseas in which the individual is present on 30 separate days in the tax year.

If the individual has more than one home in the UK, the test must be met in relation to at least one of those homes when considered separately from the other home(s).

Works Sufficient Hours in the UK (WSHUK)

The individual must work sufficient hours in the UK over a 365 day period. They must average 35 hours of work per week, disregarding certain defined days where all or part of the 365 day period is in the current tax year. There must be no significant breaks from UK work.

More than 75% of the days in the period when the individual does more than three hours work per day must be worked in the UK and the individual must work for more than three hours in the UK on at least one day in the current tax year.

Workdays

For SRT purposes, a workday is a day on which more than three hours work is performed.

Work includes incidental and non-incidental duties and most travel. There is a complicated test to determine whether an individual works sufficient hours in the UK or overseas for the WFTO or the WSHUK tests.

The distinction between incidental and substantive duties is not relevant for the purposes of the SRT. However, the distinction remains important for employee tax liability calculation purposes.

When the employee is regarded as being non UK resident only substantive UK duties are taxable, and incidental duties will continue to be deemed to be performed offshore.

Sufficient Ties Test

When an individual does not meet any of the automatic overseas or UK tests their residence will depend upon the number of UK ties (or connections) the individual has and the number of days spent in the UK.

UK resident family

A family tie exists if a person's spouse, civil partner or minor child is resident in the UK in the relevant tax year.

A person with whom the individual is living as husband and wife or as if they were civil partners is also included.

Where a minor child in full-time education in the UK – and therefore UK resident, they will not be treated as UK resident for family tie purposes unless they spend more than 20 days in the UK outside of term-time during the tax year.

Split years

Special rules apply when an individual commences or ceases residence which are outside the scope of this flowchart, even though even though an individual can only be regarded as resident for a complete tax year. The tax year may be split into separate UK and overseas parts for certain purposes.

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