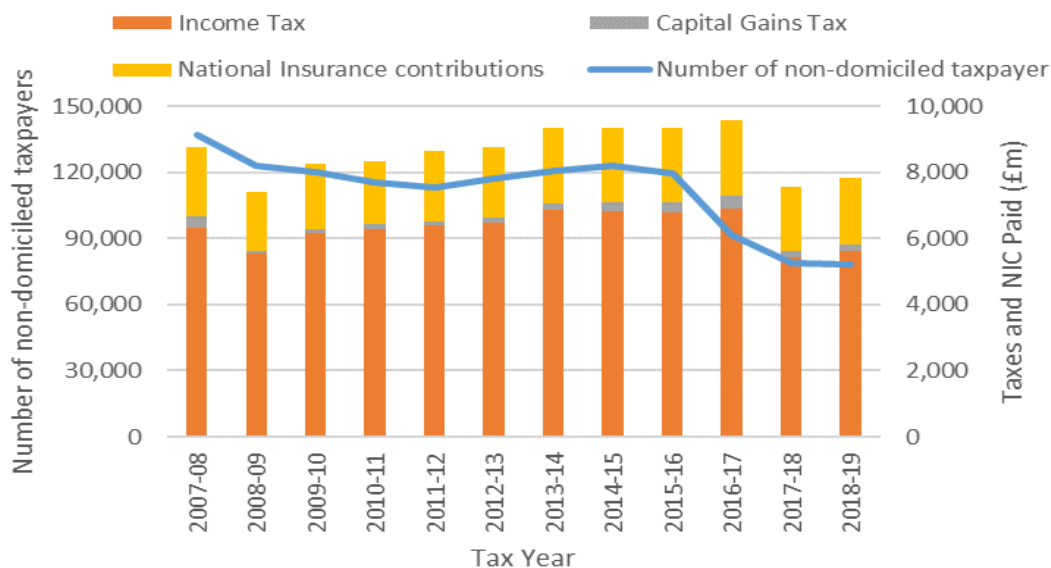




## Key points

- In 2018-19, there were an estimated 78,000 individuals claiming non-domiciled taxpayer status in the UK on their Self-Assessment tax returns, slightly down from 78,700 in the previous year.
- In the previous two years the estimated number of non-domiciled taxpayers has been falling due to these taxpayers either becoming domiciled or no longer paying tax in the UK. In 2018-19 the number of non-domiciled taxpayers changing status to become domiciled has slowed down. This suggests the impact of the deemed domicile reforms has started to stabilise and so the number of non-domiciles has remained largely unchanged from the previous year.
- It is estimated that non-domiciled tax payers paid £7,828m in UK Income Tax, Capital Gains Tax and National Insurance contributions in 2018-19. This is a slight increase from the previous year's estimate of £7,571m.

Figure 1: Non-domiciled taxpayer numbers, Income Tax, Capital Gains Tax and National Insurance contributions



## About this release

This publication is the annual update of statistics on individuals who are non-domiciled for tax purposes. To qualify as a non-domiciled taxpayer an individual must have their permanent home, their 'domicile', outside the UK. They must also claim non-domiciled status in the UK for tax purposes on their UK Self Assessment tax returns.

**Website:** [www.gov.uk/government/statistics/statistics-on-non-domiciled-taxpayers-in-the-uk](http://www.gov.uk/government/statistics/statistics-on-non-domiciled-taxpayers-in-the-uk)  
**Statistical contact:** Christopher Robinson, [christopher.robinson2@hmrc.gov.uk](mailto:christopher.robinson2@hmrc.gov.uk)  
**Media contact:** HMRC Press Office 03000 585 024, Out of hours: 07860 359 544  
**Publication date:** 30 July 2020 **Next publication date:** July 2021  
**Frequency:** Annual **Coverage:** UK **Theme:** Economy

## Key Annual Figures from “Statistics on Non-domiciled Taxpayers in the UK”

IT=Income Tax, CGT=Capital gains Tax, NIC=National Insurance Contributions, RBC=Remittance Basis Charge												
Table number / series name	Tax Year											
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
<b>1 Non-Domicile Population</b>	137,000	123,100	120,300	115,200	113,300	117,000	120,400	123,000	119,400	91,300	78,700	78,000
IT	£6,309	£5,530	£6,145	£6,275	£6,395	£6,491	£6,856	£6,828	£6,799	£6,907	£5,414	£5,605
CGT	£370	£78	£147	£165	£127	£149	£182	£256	£308	£397	£216	£218
NIC	£2,099	£1,795	£1,970	£1,883	£2,107	£2,126	£2,314	£2,259	£2,222	£2,264	£1,941	£2,005
<b>1 Non-Domicile UK Resident Population</b>	98,900	88,000	82,700	81,000	80,200	82,000	84,300	86,500	85,200	76,500	64,400	64,000
IT	£6,055	£5,352	£5,931	£6,109	£6,231	£6,324	£6,658	£6,610	£6,593	£6,845	£5,347	£5,528
CGT	£356	£76	£140	£164	£126	£148	£181	£253	£306	£396	£215	£217
NIC	£2,022	£1,747	£1,919	£1,847	£2,072	£2,092	£2,274	£2,220	£2,191	£2,249	£1,928	£1,990
<b>1 Non-UK resident Non-Domiciled Population</b>	38,200	35,100	37,600	34,300	33,100	35,100	36,000	36,500	34,100	14,800	14,300	14,000
IT	£253	£178	£214	£166	£163	£167	£198	£218	£206	£62	£67	£77
CGT	£14	£1	£7	£2	£2	£1	£2	£2	£2	£1	£1	£1
NIC	£78	£48	£51	£36	£35	£35	£40	£39	£31	£15	£14	£15
<b>3 Non-domicile Remittance Basis Claimants</b>	N/A	48,500	45,600	49,200	48,900	48,000	53,000	55,100	55,100	53,700	45,700	N/A
IT	N/A	£3,950	£4,341	£4,788	£4,853	£4,797	£5,081	£5,039	£5,060	£5,600	£4,301	N/A
CGT	N/A	£44	£93	£124	£91	£81	£118	£164	£228	£324	£162	N/A
NIC	N/A	£1,274	£1,398	£1,452	£1,627	£1,613	£1,772	£1,731	£1,722	£1,841	£1,583	N/A
<b>4 Non-Domiciles Paying Remittance Basis Charge</b>	N/A	5,400	5,200	5,500	5,600	5,100	5,000	5,100	4,300	4,700	1,800	N/A
IT	N/A	£1,400	£1,539	£1,343	£1,279	£1,222	£1,464	£1,402	£1,369	£1,692	£542	N/A
CGT	N/A	£30	£71	£93	£64	£54	£77	£127	£173	£275	£97	N/A
NIC	N/A	£289	£339	£288	£286	£275	£342	£286	£264	£322	£119	N/A
RBC	N/A	£162	£157	£165	£167	£229	£226	£227	£286	£315	£68	N/A
<b>6 Business Investment Relief</b>	N/A	N/A	N/A	N/A	N/A	£199	£549	£837	£916	£1,005	£512	N/A

Amounts are in millions.

## Non-Domiciled Taxpayers and Taxes – Table 1

There were an estimated 78,000 individuals claiming non-domiciled taxpayer status in the UK on their Self-Assessment tax returns in 2018-19. This is slightly down from 78,700 in 2017-18, and contrasts to the falls in in the total number of non-domiciled in previous years.

Those falls are probably explained by the deemed domicile reforms introduced in April 2017 which meant that an individual who was formerly non-domiciled might be deemed domiciled for tax purposes if they were born in the UK and have a UK domicile of origin (Condition A), or if they were resident in the UK for at least 15 of the 20 tax years immediately before the relevant tax year (Condition B). Previous analysis showed that these decreases in the number of non-domiciled taxpayers were explained by taxpayers either becoming domiciled in the UK or no longer paying tax in the UK. Despite the decrease in the number of non-domiciles this did not result in an overall fall in revenue to the exchequer, with those becoming domiciled continuing to pay tax in the UK, and the tax received from new non-domiciles offsetting those that no longer pay tax in the UK.

Further analysis now shows the number changing status in 2018-19 from non-domiciled to domiciled has slowed down, and the number of new non domiciles almost offsets both these and those that have stopped paying tax in the UK. This suggests the impact of the deemed domicile reforms has started to stabilise, and in turn the number of non-domiciles has remained largely unchanged from the previous year. Further years of data will be needed to determine if this has returned to a new steady state.

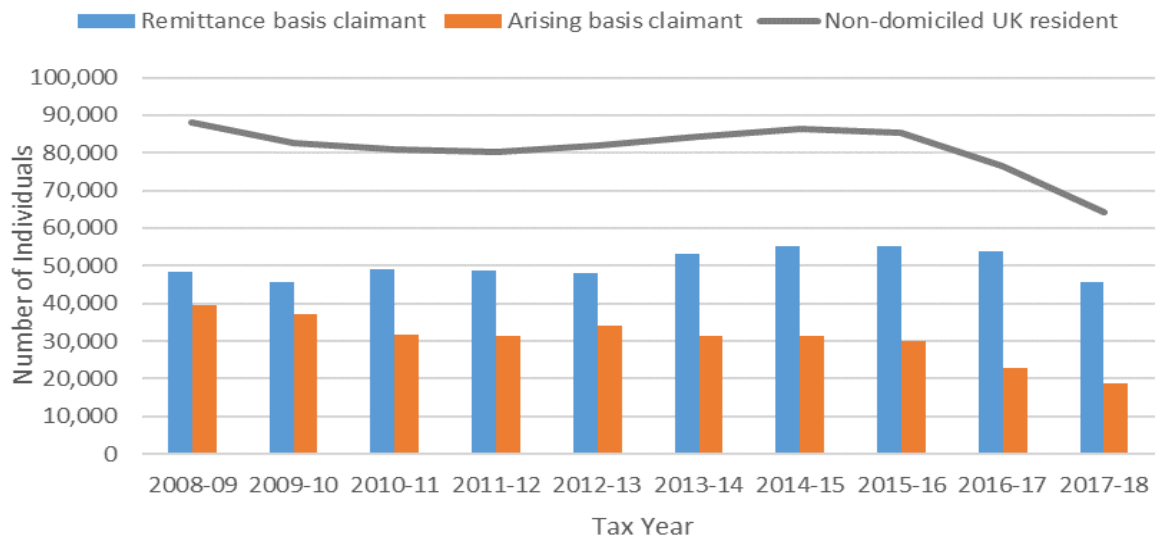
In 2018-19, the amount of UK Income Tax, Capital Gains Tax and National Insurance contributions paid by all non-domiciled taxpayers was estimated to be £7,828m. This is a slight increase from last year's estimate of £7,571m. Overall, of all non-domiciled taxpayers in 2018-19, the majority claimed UK residence as in previous years.

## Non-domiciled UK Resident Taxpayers, Remittance Basis and Arising Basis – Table 2

We have provided provisional figures for 2018-19 for Table 1 only. Further breakdown of the figures for that year are not yet possible and will be included in next year's publication. For the rest of this publication, we will therefore discuss tax years up to 2017-18. For reader's ease we have included in Table 2 the appropriate total figure from Table 1.

The vast majority of non-domiciled taxpayers are UK resident. For the tax year 2017-18, in Figure 2, the number of UK-resident non-domiciled taxpayers fell from 76,500 to 64,400, compared with a fall from 91,300 to 78,700 for all non-domiciled taxpayers. The UK resident non domiciled group is taxed on two bases: a remittance basis or an arising basis. Individuals who are UK resident are normally taxed on the arising basis of taxation, so that all of that individual's worldwide income and gains are taxable in the UK as they arise. Some non-domiciled taxpayers who are UK resident may choose to be taxed on the remittance basis, meaning that any foreign income and gains will be taxed if they are brought, or remitted, into the UK, even if that remittance occurs in a later tax year. Those taxed on a remittance basis make up a larger proportion of non-domiciled UK residents.

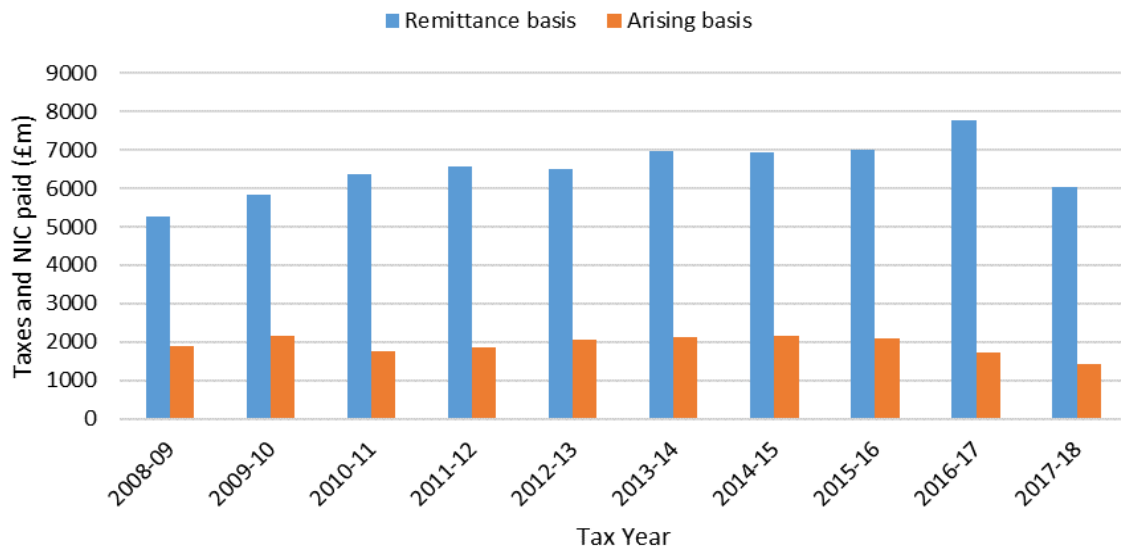
Figure 2: Number of non-domiciled UK residents claiming the remittance basis or the arising basis of taxation



### Remittance Basis and Arising Basis Non-domiciled UK Resident Taxpayers

In Figure 3, non-domiciled UK resident taxpayers claiming the remittance basis of taxation on their Self Assessment tax return have paid more in every tax year than those claiming the arising basis of taxation on their Self Assessment tax return. Please note Table 2 will not include some individuals who pay tax on the arising basis without claiming non-domiciled status on the SA return.

Figure 3: Total UK Income Tax, Capital Gains Tax and National Insurances contributions paid by non-domiciled taxpayers on the remittance basis of taxation and by non-domiciled taxpayers on the arising basis of taxation.



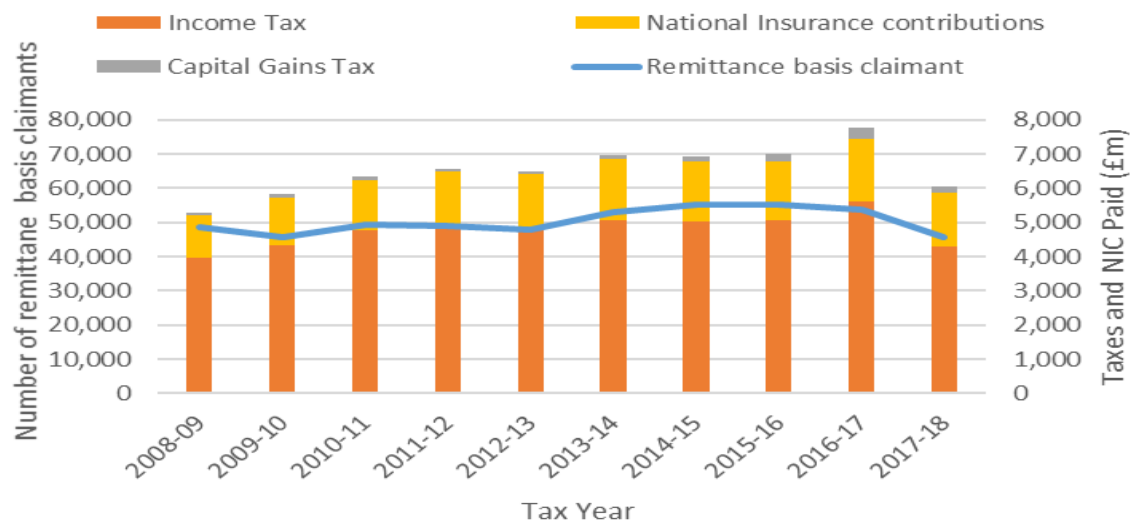
## Remittance Basis and the Remittance Basis Charge – Table 3

### Population Changes

The analysis below shows how the 2017-18 fall in the total number of taxpayers are reflected in a fall in the number of individuals liable for the remittance basis charge, and the total tax amount paid by those individuals in 2017-18.

### Remittance Basis Claimants and Taxes

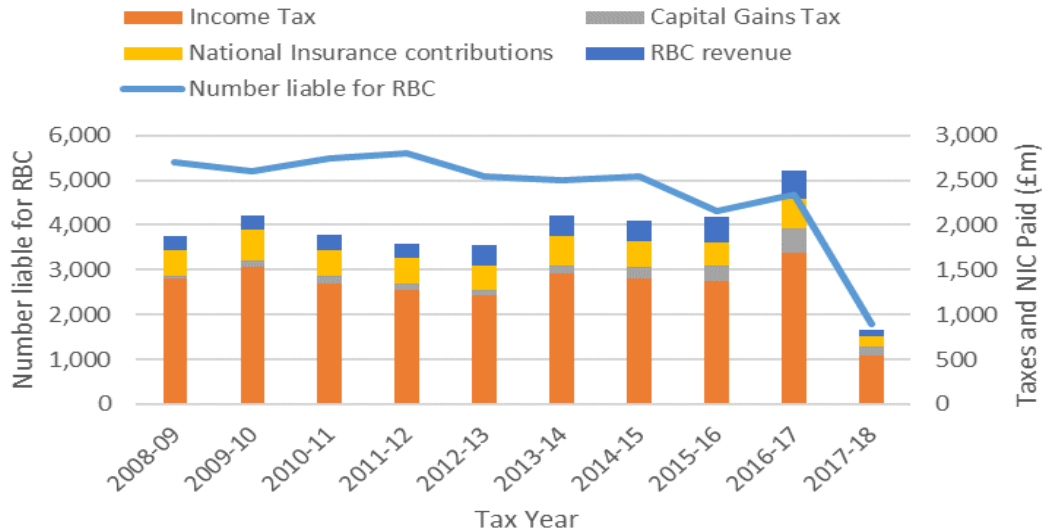
Figure 4: Number of non-domiciled UK resident taxpayers taxed on the remittance basis and their Income Tax, Capital Gains Tax and National Insurance contributions.



Non-domiciled taxpayers on the remittance basis in 2017-18 paid £6,046m in Income Tax, Capital Gains Tax and National Insurance contributions. This is a fall from 2016-17, which was the highest amount paid by this group since the series began in 2008-09. Despite these falls, as discussed previously, analysis shows this did not result in an overall fall in revenue to the exchequer, with those becoming domiciled continuing to pay tax in the UK, and the tax received from new non-domiciles offsetting those that no longer pay tax in the UK. The number of non-domiciled taxpayers paying on the remittance basis was 45,700 in 2016-17. This is expected to be revised in future years due to a small number of late filers.

## Remittance Basis Charge Revenue – Table 4

Figure 5: Non-domiciled UK resident taxpayers liable to pay the remittance basis charge and UK Income Tax, Capital Gains Tax, National Insurance contributions and remittance basis charge revenue.

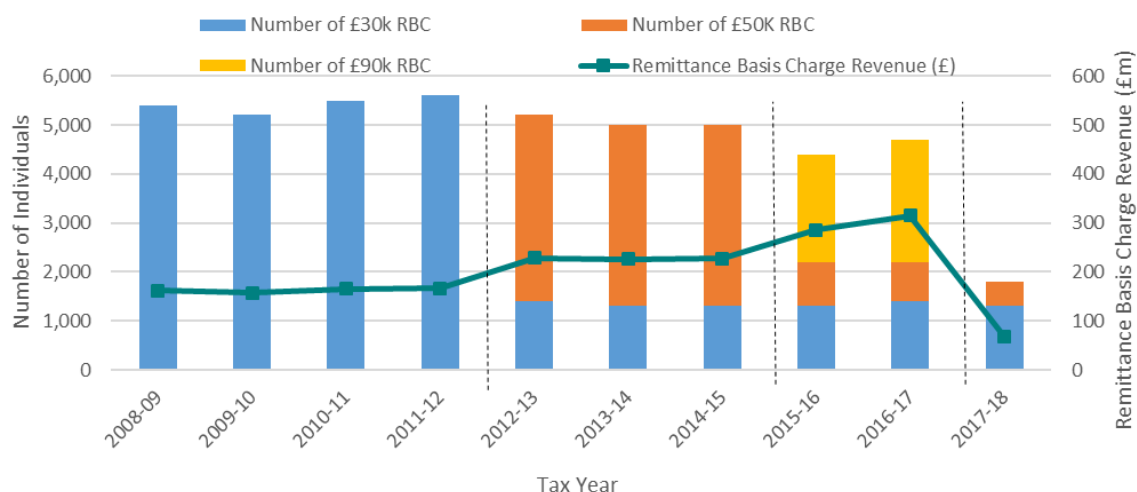


The number of taxpayers who paid remittance basis charges fell from 4,700 in 2016-17 to 1,800 in 2017-18, which is further explored in the section below alongside Figure 6. The total amount paid by taxpayers in Income Tax, Capital Gains Tax, National Insurance contributions and the remittance basis charge also fell from £2,604m from those who paid the remittance basis charge in 2016-17 to £826 million from those who paid the remittance basis charge in 2017-18.

### Remittance Basis Charge Revenue and numbers

Figure 6 below shows the change over time in the number of non-domiciled taxpayers who pay the remittance basis charge, grouped by amount paid in a particular tax year, and the amount of revenue generated by the remittance basis charge. The line breaks represent the addition of separate higher remittance basis charges in April 2012 and April 2015 for longer-term UK residents who claim the remittance basis, followed by a change in April 2017 to deem individuals as domiciled where either of two conditions were met. The supporting documentation for this provides more details on the remittance basis charges and the deemed domiciled changes.

Figure 6: Break down of non-domiciled taxpayers that pay the remittance basis charge by charge amount.



As explained earlier, in April 2017 the deemed domicile rules were introduced. Condition B of these rules is met when you have been UK resident for the last 15 of 20 tax years, then you are treated as deemed domicile. Until April 2017 non domiciles resident in the UK for the last 17 of 20 tax years paid the £90,000 charge, however this no longer applies from April 2017 due to the introduction of the deemed domicile rules. This therefore explains the majority of the decrease in the number of individuals paying the Remittance Basis Charge, as those individuals would no longer have non domicile status and be treated as domiciled.

## Non-Domiciled Taxpayers by Region – Table 5

London had the largest non-domiciled taxpayer population in 2017-18, with 58% of non-domiciled taxpayers in the UK being located in that region and 74% of UK Income Tax, Capital Gains Tax and National Insurance contributions coming from that region. London also had the largest population of UK resident non-domiciled taxpayers, and the largest population of non-domiciled taxpayers on the remittance basis.

## Business Investment Relief in the UK – Table 6

In 2017-18 the cumulative value of investments in UK businesses on which Business Investment Relief has been claimed is £4,018m. In 2017-18 alone, £512m was invested in the UK from 300 non-domiciled taxpayers.