



Use these Notes to help you complete form UK-REIT DT-Individual. If you need help or further information, see note 6.

## 1. Double taxation – being liable to pay tax in both countries

If you have income from one country and are resident in another, you may be liable to pay tax in both countries under their tax laws. To avoid 'double taxation' in this situation, the United Kingdom (UK) has negotiated Double Taxation (DT) treaties with a large number of countries. The precise conditions that will apply to your income from the UK can be found in the text of the treaty between the UK and your country of residence. The conditions vary from treaty to treaty.

## 2. Property income dividends paid by UK real estate investment trusts ('UK-REITs')

A 'UK-REIT' is a company which has a property business. It must be resident in the UK and be listed on a recognised Stock Exchange. A UK-REIT can also be a group of companies. In this case, the principal (parent) company of the group must be UK resident and stock exchange listed. Under the UK-REIT regime, the UK-REIT pays no tax on its qualifying property income, but the company (principal company for a Group REIT) will withhold UK Income Tax at the basic rate when making a distribution out of its qualifying property income, a 'property income dividend'. It is obliged to distribute most of its profits as property income dividends.

### UK dividends from which no Income Tax is withheld

The company (principal company of a Group REIT) may also pay ordinary company dividends from which no Income Tax is withheld. Other members of a Group REIT may also pay dividends. These will always be ordinary company dividends from which no Income Tax is withheld. UK company dividends from which no Income Tax is withheld have an amount attached to them (but not paid to the shareholder at the time of the dividend) called a tax credit.

Some of the UK's DT treaties provide for payment to a resident of the other country of part of the tax credit. But in practice, the amount that the UK retains under the DT treaty covers the whole of the tax credit. So if a shareholder were to make a DT treaty claim for payment of tax credit, there would be no balance of tax credit remaining for HMRC to pay.

## 3. Purpose of form UK-REIT DT-Individual

Form DT-REIT Individual allows you to claim repayment of some or all of the Income Tax deducted from property income dividends that are paid by real estate investment trusts.

HMRC publishes the Digest of Double Taxation Treaties, which contains a summary of the relief available under each DT treaty. Use the information about Real Estate Investment Trusts in the Digest to help you complete form UK-REIT DT-Individual. To find the Digest:

- go to [www.hmrc.gov.uk/government/publications/double-taxation-treaties-territory-residents-with-uk-income](http://www.hmrc.gov.uk/government/publications/double-taxation-treaties-territory-residents-with-uk-income)
- you can order a paper copy from the address in note 6

Please do not include other sources of UK income in your claim, such as dividends paid by UK companies that are NOT property income dividends of a UK real estate investment trust. For claim forms for DT treaty relief from UK Income Tax on UK pensions, interest and royalties you can go to GOV.UK and search for 'double taxation treaty'.

## 4. Certification of the form by the tax authority of your country of residence

### If this is your first claim

If this is the first time you've claimed repayment of tax deducted from property income dividends paid by UK real estate investment trusts please send the completed form UK-REIT DT-Individual to the tax authority of your country of residence. By doing this, you're consenting to the tax authority of that country certifying to HMRC that you are resident there.

The tax authority will either:

- send the certified claim to HMRC in the UK
- return the claim to you to send to HMRC, at the address in note 6

Some DT treaties also require that you must be 'subject to tax'. This usually means that you must actually pay tax in your country of residence on the distributions by UK real estate investment trusts before you can get relief from UK tax.

The tax authority may not wish to stamp and sign the form UK-REIT DT-Individual. If so, please ask them to provide written confirmation that you're resident for tax purposes in that country within the meaning of the DT treaty with the UK.

Attach the confirmation to your claim.

## **If this is NOT your first claim**

If you've made a claim before for repayment of tax deducted from distributions by real estate investment trusts and:

- you remain resident in the same country
- there has been no change in your tax position as a resident of that country

you do not need to get this form certified by the tax authority of your country of residence. Send the form direct to HMRC at the address in note 6.

## **5. Confidentiality**

All the information that you provide to HMRC is confidential. We can only discuss your tax affairs with you or any tax adviser named by you.

## **6. Help or further information**

If, after using these notes and the Digest of Double Taxation Treaties you need more information, you can:

- go to GOV.UK and search for 'Double taxation'
- phone us on 0300 322 9433 if calling from the UK, or +44 300 322 9433 if calling from outside the UK
- write to HMRC, Trusts, BX9 1EL

Please quote your HMRC reference number (for example '99/A/123456') whenever you contact us.

## **7. Completing the form UK-REIT DT-Individual**

Use the following notes to help you complete Parts A to E of the form. Please give all the information requested. If you need more room, attach a separate sheet and write your name and HMRC reference number on it.

### **Part A: Personal details of claimant**

Please give all the details asked for. If you have a tax adviser, please include the tax adviser's details.

### **Part B: Questions**

Tick the boxes that apply to you and give any additional information asked for.

### **Part C: Details of property income dividends paid by UK real estate investment trusts**

#### **Tax vouchers**

Before filling in Part C you must have documentary proof of the deduction of UK Income Tax from your property income dividends. Usually this proof is provided by the tax deduction certificates issued to you by the payers of the property income dividends.

You do not need to send tax certificates (vouchers) with your completed form UK-REIT DT-Individual, but you should keep them safe in case we ask you to send them to us in support of your claim. If you have any doubt about how you've completed Part C you can send vouchers with your claim if you think it will help us.

Remember that you should only include property income dividends paid by real estate investment trusts ('UK-REITs').

### **Part D: Payment to a nominee**

You should only complete Part D if you want HMRC to make any repayment to a bank, building society, tax adviser or other person on your behalf. If you want the repayment to be credited to a bank or building society account, the account holder's name must be the same as the name of the person entitled to receive the repayment. We'll send the repayment by post so you will need to give the full postal address and other details asked for on the form. If you want repayment to be made to your tax adviser, please give the reference number (if any) that the tax adviser uses in correspondence with you.

You must also complete and sign the declaration at Part E if you sign the authorisation in Part D.



## **Reclaiming the reduced rate of UK Income Tax withheld, where appropriate**

The UK's DT treaty with your country of residence may provide for a reduced rate of UK Income Tax (for example 15%) to be withheld from dividends. The reduced rate, if there is one, is shown in the Digest of Double Taxation Treaties in the entry for your country of residence. You may be able to reclaim some or all of this UK Income Tax (the amount you have entered in box 3 above if you have worked out the repayment) if you are entitled to UK personal allowances. You are entitled to UK personal allowances if, for example, you are a British citizen or a national of another member state of the European Economic Area (EEA).

If you want further information about UK personal allowances and how to claim them:

- go to GOV.UK and search for 'Income Tax rates and personal allowances'
- see Note 6 for our phone number and address

## **Privacy and data protection**

HMRC is a Data Controller under the Data Protection Act. We hold information for the purposes specified in our notification to the Data Protection Commissioner, and may use this information for any of them. We may get information about you from others, or we may give information to them. If we do, it will only be as the law permits, to:

- check the accuracy of information
- prevent or detect crime
- protect public funds

We may check information we receive about you with what is already in our records. This can include information provided by you as well as by others such as other government departments and agencies and overseas tax authorities. We'll not give information about you to anyone outside HMRC unless the law permits us to do so.