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LANDFALL GUIDE · TAXES IN BOTH COUNTRIES

Do I still have to file US taxes after moving to the UK?

THE SHORT ANSWER

Yes. US citizens and green card holders file a US return every year, wherever they live. Most people living in the UK owe little or no US tax, because UK tax usually covers it, but the filing doesn't stop.

For US citizens and green card holders moving to the UK. Build your free, personal move plan at **yourlandfall.com/plan**.

Who still has to file

The US taxes its citizens on their worldwide income, wherever they live. So if you're a **US citizen** (including a dual citizen, or someone born abroad to an American parent) or a **green card holder**, you keep filing a US return after you move.

If you're neither, you generally stop filing once you leave, although income from US sources, such as rent from a US property, can still be taxed in the US.

What you file each year

Your US return reports your worldwide income, including your UK salary, interest and gains. Depending on your situation, it can come with:

- **Form 1040**, your normal federal return.
- **Form 1116 or Form 2555**, to claim foreign tax credits or to exclude foreign earnings.
- **The FBAR (FinCEN Form 114)**, if your non-US accounts add up to more than $10,000 at any point in the year. Joint accounts with a non-US spouse count.
- **Form 8938**, if your foreign financial assets pass higher limits. For a single filer living abroad, that's more than $200,000 at year end or more than $300,000 at any point in the year.

Deadlines for people living abroad

The two tax years don't line up. The US year runs January to December. The UK year runs **April 6 to April 5**.

What	Normal date	If you live abroad
US tax owed	April 15	April 15. Interest runs from here.
US return	April 15	June 15 automatically, October 15 if you ask for an extension
FBAR	April 15	October 15 automatically
UK Self Assessment (online)	January 31 after the UK tax year ends	Same

How you avoid paying tax twice

Two tools stop double tax:

- **Foreign tax credits** let you set UK tax you've paid against US tax on the same income.
- **The foreign earned income exclusion** takes foreign earnings out of US tax, up to an annual limit.

Most people working in the UK do better with foreign tax credits, because UK tax on the same income is usually higher than US tax. The right choice depends on your income and your family, and switching back and forth has restrictions, so it's worth deciding properly once.

Why the order matters: because the tax years differ, your US and UK returns each need figures from the other. Prepared separately, one of them is usually wrong.

Traps for new arrivals

- **UK ISAs aren't tax-free for the US.** The income is taxable on your US return, and UK funds held inside one can trigger harsh US rules for foreign funds.
- **Your US funds can be taxed as income in the UK.** See mutual funds and ETFs in the UK.
- **Paying off a UK mortgage can create US tax.** If the pound falls against the dollar while you owe in pounds, the US can tax the currency gain.
- **Giving up a green card has rules.** Long-term holders can face US exit tax. Get advice before you surrender it.

What to do next

If you have more than a salary, such as investments, a US home or a business, this is where specialist help usually pays for itself. Build your move plan to see every step that applies to you.

See every step for your move. Answer five questions and get a free plan in the right order: yourlandfall.com/plan