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LANDFALL GUIDE · TAXES IN BOTH COUNTRIES

When do I start paying UK tax?

THE SHORT ANSWER

When you become UK tax resident under the Statutory Residence Test. In the year you arrive, split-year treatment can mean UK tax only applies from your arrival date, and new arrivals may be able to claim four years of relief on foreign income and gains.

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

The UK tax year

The UK tax year runs from **April 6 to April 5**, not January to December. Everything below works in UK tax years.

The Statutory Residence Test

Whether you're UK resident for a tax year is decided by the **Statutory Residence Test**. In short, it works in three stages:

1. **Automatic overseas tests.** If you meet one, you're not UK resident for that year (for example, very few days in the UK).
2. **Automatic UK tests.** If you meet one, you are UK resident (for example, spending 183 days or more in the UK, or your only home being in the UK).
3. **Sufficient ties test.** If neither applies, your days in the UK are weighed against your ties here, such as family, a home, work and time spent here in earlier years.

Most people who move here to live and work become UK resident in the tax year they arrive.

Split-year treatment

If you arrive part-way through a UK tax year, you may not be taxed as a UK resident for the whole year. **Split-year treatment** divides the year into an overseas part and a UK part, so UK tax on most foreign income only applies from your arrival.

It applies only in set situations, such as starting full-time work in the UK or making the UK your only home. It's applied on your UK tax return, so it matters which situation you're in.

The four-year regime for new arrivals

Since April 2025, the UK has a **foreign income and gains (FIG) regime** for new arrivals. If you were **not UK resident in each of the previous 10 tax years**, you can claim relief from UK tax on foreign income and gains for your **first four tax years** of UK residence.

Points to know:

- It has to be **claimed** on your UK return, year by year.
- Claiming it can cost you some UK allowances for that year.
- For Americans it interacts with US tax. Income relieved in the UK can still be taxed by the US, without UK tax to credit against it. It's often still worthwhile, but it needs working through.

What to do next

The day UK residence starts is the date the rest of your plan hangs on: when to sell investments, what happens to a US home sale, and which returns you file. Build your move plan to see the steps for your situation.

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