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Property – a UK tax timeline...



Key

- ATED** = Annual Tax on Enveloped Dwellings
- CGT** = Capital Gains Tax
- CT** = Corporation Tax
- GROB** = Gift with Reservation of Benefit
- IHT** = Inheritance Tax
- NRB** = Nil Rate Band
- PRR** = Private Residence Relief
- SDLT** = Stamp Duty Land Tax





UK residential property – typical non-domicile ownership structures

| | Personal ownership | Non-UK company | Non-UK trustees | Non-UK trustees holding non-UK shares |
|--|---|---|---|---|
| Inheritance Tax (IHT) | IHT exposure | IHT from 6 April 2017 | Potential entry charge, 10 year anniversary charges, exit charges, potentially GROB | Potential entry charge, 10 year anniversary charges, exit charges, potentially GROB |
| Annual Tax on Enveloped Dwellings (ATED) | No ATED | ATED (unless reliefs apply) | No ATED | ATED (unless reliefs apply) |
| Capital Gains Tax (CGT) on disposal | CGT (if non-resident, post 5 April 2015 gains (NRCGT)) PRR possibly | ATED-CGT / NRCGT and /or gains attributed under S.13 TCGA | NRCGT and CGT on pre-6 April 2015 if matched | ATED-CGT, NRCGT and/or CGT on gains if matched |
| Taxation of rental income | Income tax | Income tax - non-resident landlord regime (though CT post April 2020) | Income tax - non-resident landlord regime | Income tax (though corporation tax CT post April 2020) |
| Stamp Duty Land Tax (SDLT) on acquisition | SDLT at normal rates (3% surcharge can apply) 1st time buyer relief if <£500,000 | SDLT at 15% (though relief if let, but 3% surcharge can apply) | SDLT at normal rates (3% surcharge generally applies) | SDLT at 15% (though relief if let, but 3% surcharge can apply) |

Key contacts

If you would like any further information about this topic, please contact us using the details below.



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