

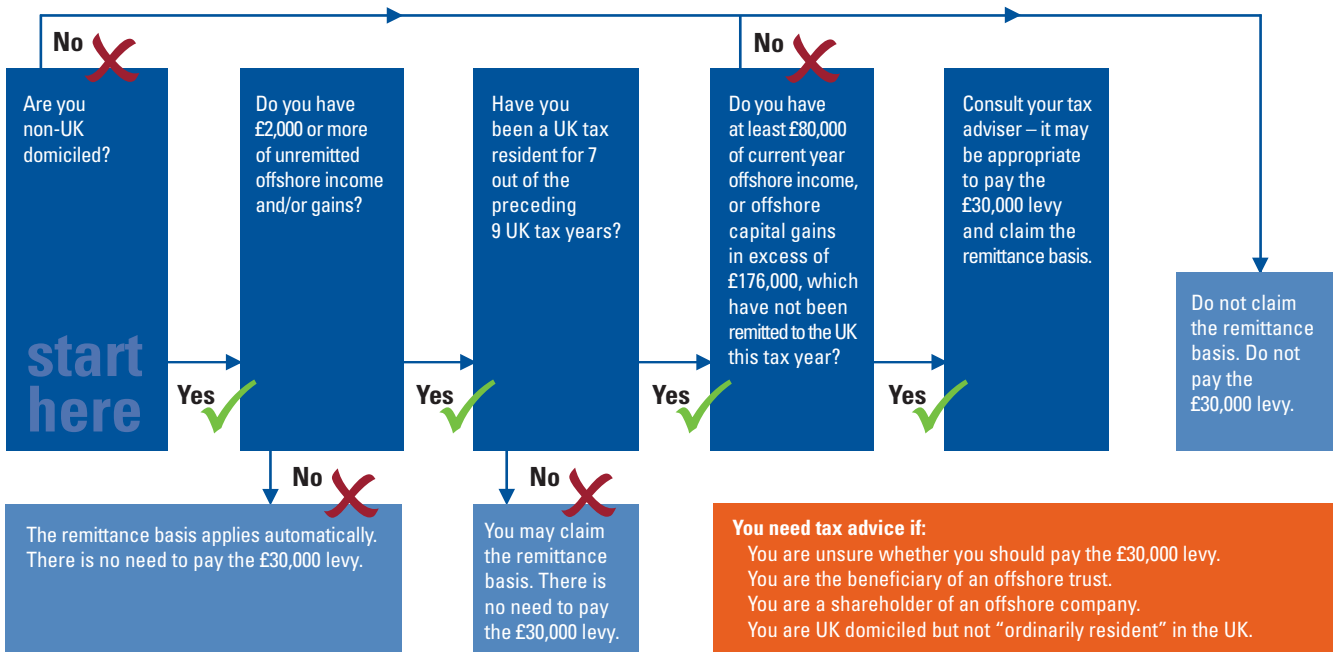
The £30,000 Remittance Levy

Should I pay the £30,000 levy to claim the remittance basis?

The Chancellor's Pre-Budget Report in October 2007 announced the biggest change to the taxation of non-UK domiciliaries for many decades. Every 'non-dom' who is a long-term resident in the UK will now have to decide, before 31 January 2010, whether to pay the £30,000 charge to preserve the 'remittance basis' of taxation on his/her foreign income and foreign capital gains. The decision tree below is designed to help clients make that decision but it is not a substitute for professional tax advice.

It is important to note

- The income arising in offshore and UK trusts of which you are a settlor or a beneficiary may be included in your income.
- Husbands and wives are each separately liable for the £30,000 levy.
- The income or capital gains arising in any offshore companies in which you invest may be included in your income and gains.
- It may be possible to structure your investments such that it is not necessary to pay the £30,000 charge every year.
- If you have received a capital benefit from a trust you may have to include trust gains or income in your personal tax calculations.
- You may choose to pay the £30,000 levy in order not to have to disclose your worldwide income and gains on your UK tax return.
- Individuals not ordinarily resident in the UK may also be able to claim the remittance basis.





Contact us

If you would like to find out more about how KPMG can advise you on the remittance basis, please contact your local Private Client adviser:

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Designed and produced by KPMG LLP (UK)'s Design Services

Publication name: The £30,000 Remittance Levy

Publication number: 313-836

Publication date: June 2008