



28 January 2025

THE UK STATUTORY RESIDENCE TEST : FLOWCHART

From 6 April 2025 an individual's residence status alone will determine their UK tax position.

The UK statutory residence test (SRT) broadly looks to the number of days that a person has spent in the UK in any given tax period and certain factors which tie an individual to the UK. It was introduced for tax years from 6 April 2013 and is certainly a big step forward from the previous rules which were based on case law and HMRC practice. However, the rules can be complex to apply, particularly for those with an international lifestyle.

This flowchart is intended to provide a guide to establishing residence status however, it should not be solely used to give a definitive answer.

Some tests or ties are particularly difficult to apply in practice and there are various traps. There are detailed provisions regarding each tie and words are carefully defined to cover a wide range of circumstances. Tailored advice based on the application of the SRT in relation to an individual's specific circumstances will be required to determine their residence status.

ARRIVERS AND LEAVERS

The SRT makes a distinction between 'arrivers' (those who were not UK resident in any of the previous three tax years) and 'leavers' (those who were UK resident in any of the three previous tax years). Essentially, those who have closer links to the UK will need to spend less time in the UK in any particular tax year in order to avoid becoming UK resident.

WHAT IS A DAY?

This is an important part of the test; a day generally only counts if a person is present in the UK at midnight. There are specific rules for determining what counts as a workday or a day spent in an overseas home when applying the various tests. There is a special rule for those passing through the UK in transit to another destination on a through ticket. Transit days will not count provided that between their arrival and departure the passenger does not engage in any activities which are substantially unrelated to their passage through the UK. Holding a business meeting at their airport hotel or even just catching up with friends for a meal would mean that the day of arrival would count. The SRT consists of three parts:



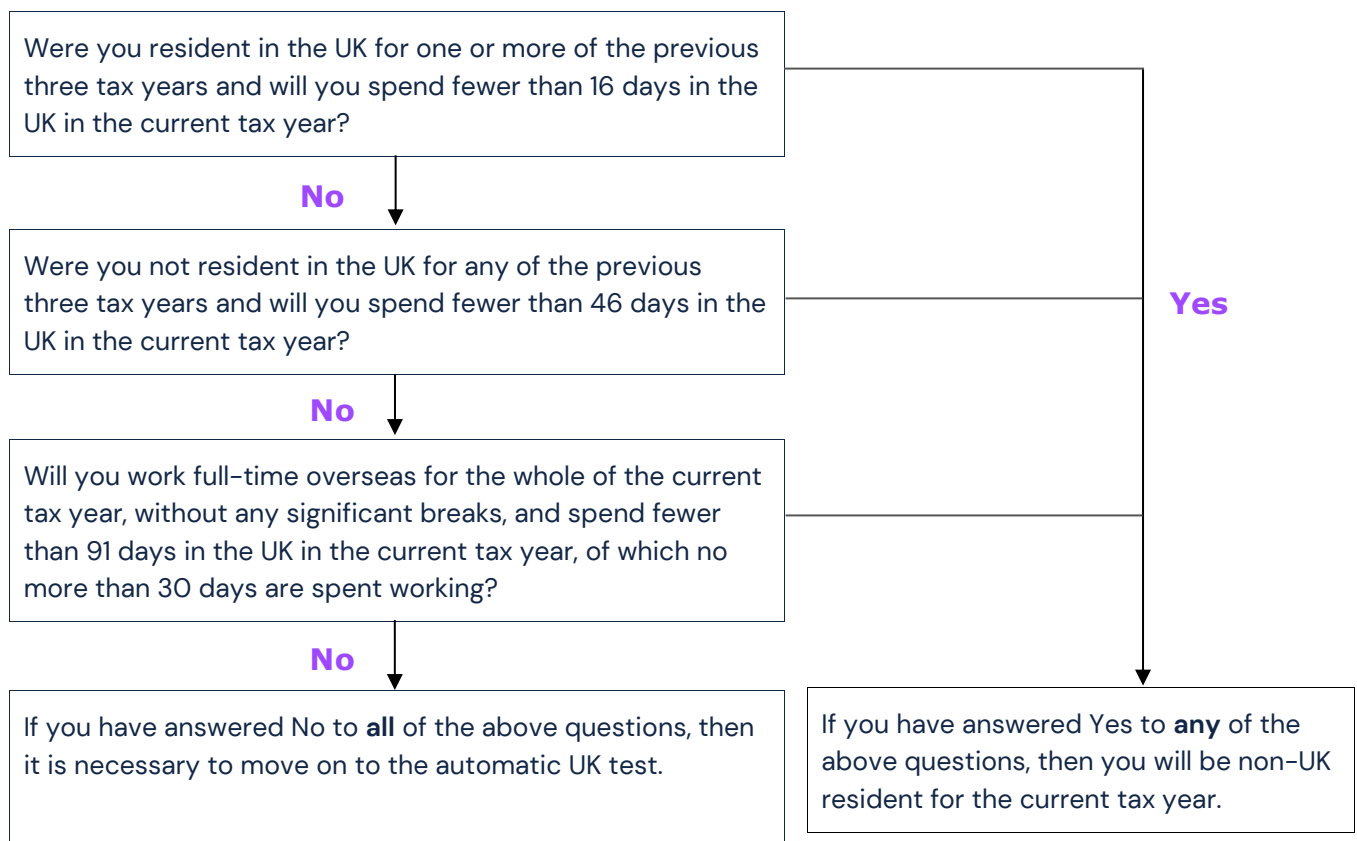
- + the automatic overseas test,
- + the automatic UK test, and
- + the sufficient ties test

It is necessary to consider each part in turn, starting with the automatic overseas test. If an individual meets any of the conditions in this test, they are automatically non-resident and the other parts of the SRT do not need to be considered. If none of the conditions in the automatic overseas test are met, then it is necessary to move on to the automatic UK test.

If any of the conditions in this test are met, an individual will be automatically resident. If none of the conditions in either of the automatic tests are met then it is necessary to apply the sufficient ties test. Typically, clients with an international profile are required to consider the sufficient ties test.

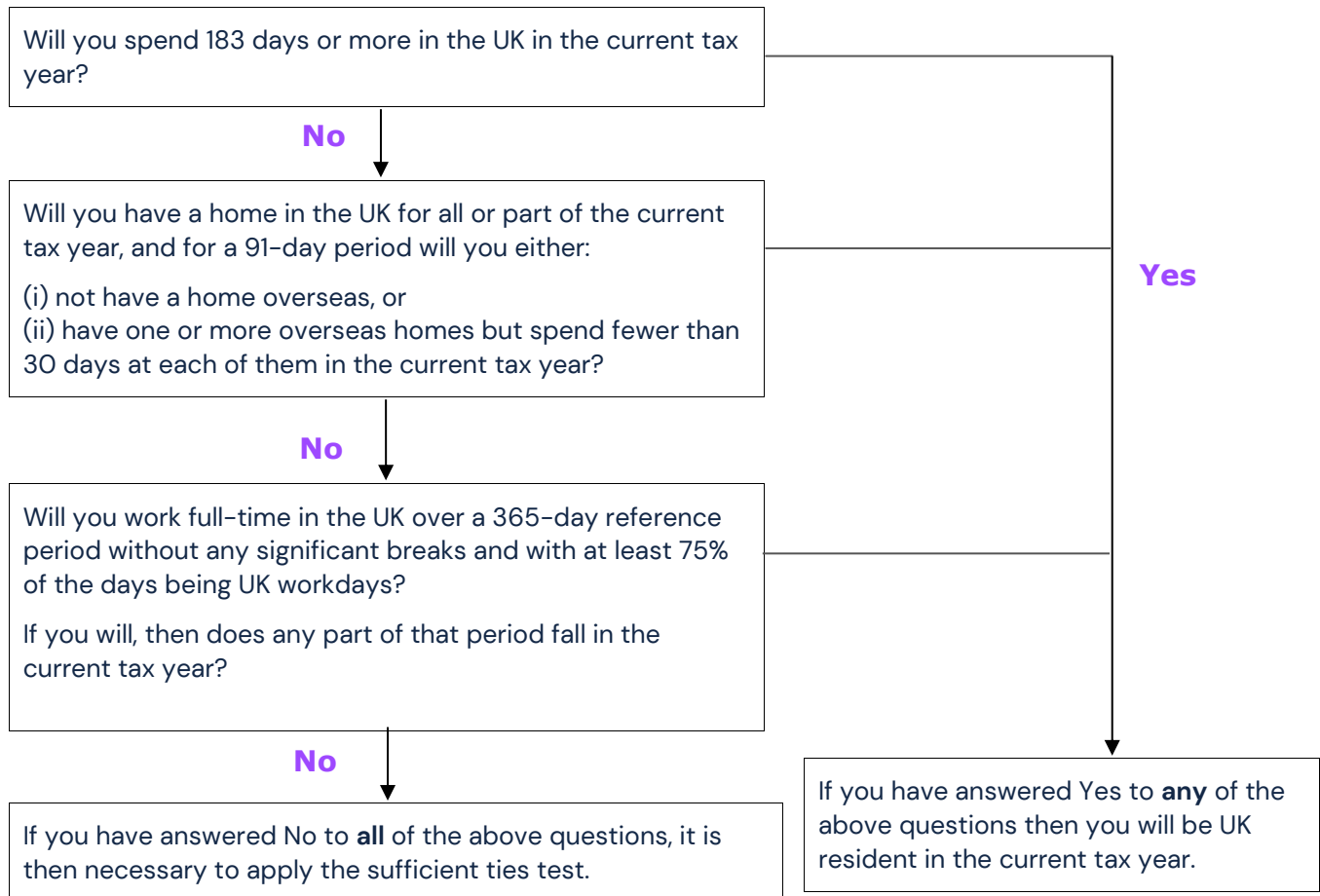
References below to a tax year are to the period 6 April to 5 April

AUTOMATIC OVERSEAS TEST





AUTOMATIC UK TEST



SUFFICIENT TIES TEST

Under this part of the SRT, the number of ties which an individual has to the UK will determine how many days they can spend in the UK in the tax year without becoming UK resident.

The ties that are relevant are:

Family tie: a spouse, civil partner or common-law partner (unless separated) will count as a tie. In addition, if minor children are resident in the UK, a family tie exists unless the parent sees them in the UK on fewer than 61 days in the tax year or they are in full-time education in the UK and spend fewer than 21 days in the UK outside of term time. Term time for this purpose includes any half term breaks.

Accommodation tie: having a place to live in the UK that is available for at least 91 consecutive days in the tax year and spending at least one night there in the tax year, or at least 16 nights if the place belongs to a close relative.

Work tie: working in the UK for at least 40 days in the tax year, if you work for at least three hours per day, that is a workday. Making business calls and dealing with emails counts as work for the purposes of this tie.

UK presence tie: spending more than 90 days in the UK in either of the previous two tax years.

Country tie: spending more days in the UK than in any other single country in the tax year. However, this is an additional tie which only applies to leavers.



The following tables show the number of days a person can spend in the UK depending on whether they are an arriver or a leaver and how many ties they have.

ARRIVERS

Number of ties	Number of days permitted in the UK before you are treated as UK resident
0	182
1	182
2	120
3	90
4	45

LEAVERS

Number of ties	Number of days permitted in the UK before you are treated as UK resident
0	182
1	120
2	90
3	45
4	15
5	15



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