

An introduction to \_\_\_\_\_



# The Statutory \_\_\_\_\_ \_\_\_\_\_ Residence Test

A closer look at the rules that determine UK residency

# Introduction

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**Today, many people live lives that stretch across several countries – through work, education, lifestyle choices or personal commitments. Moving between countries can create both opportunities and challenges, particularly when it comes to your tax position.**

In April 2025, the UK moved to a residence-based tax system, meaning residency – not domicile – now determines how your foreign income and gains are taxed. New arrivals don't pay UK tax on these for four years, before moving into the standard system. The changes also affect trusts and Inheritance Tax, so understanding your residency position is crucial.

This guide outlines the Statutory Residence Test (SRT), which decides whether you are UK tax resident each year. Your ties, travel patterns and circumstances all play a role.

## What is the Statutory Residence Test (SRT)?

Your UK tax position each year depends, in large part, on whether you are considered UK resident for that tax year. Before 2013, residency was determined through a mixture of rules and HMRC interpretation, which often created uncertainty.

The SRT, introduced through the Finance Act 2013, brought greater clarity by establishing a structured, step-by-step method for determining residence. Each tax year is assessed independently, which means you may be UK resident in one year and non-resident in another, depending on your changing circumstances.

Despite its clearer structure, the SRT includes highly detailed rules – it's supported by over 200 pages of HMRC guidance – so understanding your position can still be complex. That's why it's always sensible to speak with a specialist about your own specific circumstances.

### The SRT determines your residency through three tests in order:

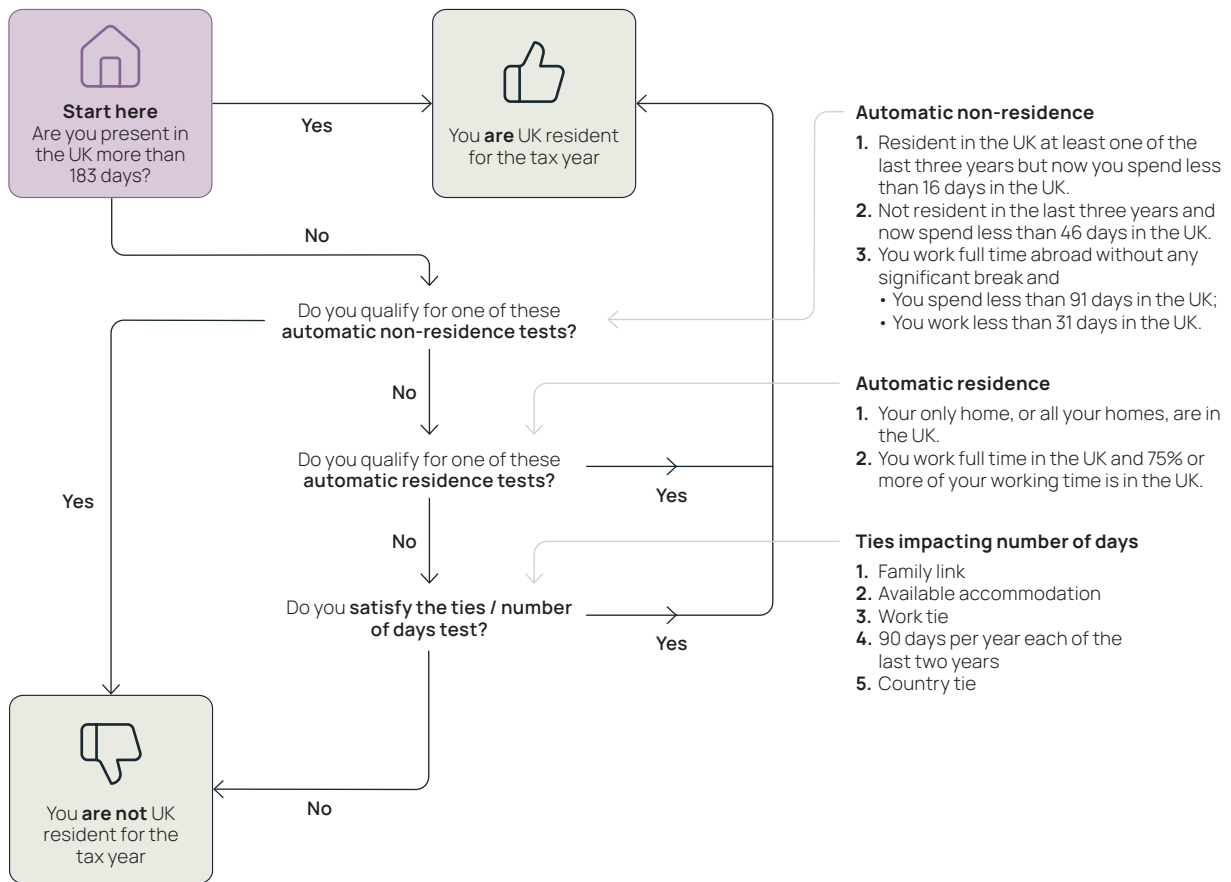
1. **Automatic non-residence test** – meet any condition and you're automatically non-resident
2. **Automatic UK residence test** – if test 1 doesn't apply, check this. Meet any condition and you're automatically UK resident
3. **Sufficient ties test** – if neither test applies, this looks at UK days spent alongside your UK 'ties'.

Did you know that new arrivals can claim four years of UK tax relief on foreign income and gains?



# An overview of the SRT

## The Statutory Residence Test



## A closer look at the sufficient ties test

If neither the Automatic Non-residence Tests nor the Automatic UK Tests confirm your position, the Sufficient Ties Test determines your residency. Put simply, the more ties you have, the fewer days you are allowed before you become tax resident.

### The five UK ties are:

- **Family tie** – spouse, partner or minor child is UK resident
- **Accommodation tie** – a property is available for at least 91 consecutive days, and you stay for at least one night
- **Work tie** – you work in the UK for 40 or more days (3+ hours per day)
- **90-day tie** – you spent 90 days or more in the UK in either of the two previous tax years
- **Country tie** – you spend more days in the UK than in any other country (applies only if you were UK resident in one or more of the previous three years)

Once you know which ties apply, you can check the table to see how many days you can be present in the UK, before becoming UK tax resident.



ARRIVAL TABLE

	Ties				
	0	1	2	3	4+
Less than 16 days	Non Resident				
5 days	Non Resident				
46 to 90 days	Non Resident			Resident	
91 to 120 days	Non Resident		Resident		
121 to 182 days	Non Resident	Resident			
More than 183 days	Resident				

DEPARTURE TABLE

	Ties				
	0	1	2	3	4+
Less than 16 days	Non Resident				
16 to 45 days	Non Resident			Resident	
46 to 90 days	Non Resident		Resident		
91 to 120 days	Non Resident	Resident			
121 to 182 days	Non Resident	Resident			
More than 183 days	Resident				

Non Resident



Resident



## How days are counted

Normally, a day counts as a UK day if you are present at midnight. However, anti-avoidance rules may count presence at midday, certain transit days may not be included, and exceptional circumstances can allow limited flexibility. As these rules can materially affect your residency outcome, it's important to review your position carefully with an expert.

## Split-year treatment & double tax treaties

Under UK tax rules, you're typically either resident or non-resident for the entire tax year. However, the SRT allows split-year treatment in certain circumstances – typically when you arrive in or leave the UK part-way through a tax year, meaning you're only treated as UK resident for part of that year.

In some situations, you may also meet the residence rules of another jurisdiction. When this happens, double tax treaties help determine which country has the primary right to tax your income or gains.

### We're here to help

If you'd like to discuss your residency position or understand how the rules apply to your situation, just give us a call or send us an email.

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