

**LAST MINUTE ACTION FOR UK RESIDENT NON-DOMICILIARIES  
BEFORE 5<sup>TH</sup> APRIL 2008\***

- HMRC have confirmed that all income from “source closing” **whenever generated** which has arisen to a non-UK domiciliary will be taxable if remitted after 5<sup>th</sup> April 2008.

**Action:** All properly source ceased income which may be required in the UK at any time in the future should be brought into the UK **before 5<sup>th</sup> April 2008**. Note that the income must have been effectively source ceased **before 6<sup>th</sup> April 2007**.

- HMRC have confirmed that it is not intended that **adult** children or **adult** grandchildren will be included in the definition of immediate family under the new remittance rules.

**Action:** Gifts to a spouse or a civil partner must be made **before 5<sup>th</sup> April 2008**; the spouse/civil partner should also bring the funds into the UK **before 5<sup>th</sup> April 2008**. Note that this must be a genuine gift in order to avoid a remittance of the income on genuine principles. It will still be possible to make gifts to adult children and adult grandchildren after 5<sup>th</sup> April 2008.

- Assets purchased with unremitted foreign investment income after 11<sup>th</sup> March 2008 must be in the UK on 5<sup>th</sup> April 2008; otherwise bringing the asset into the UK will be treated as a remittance of the offshore income.

**Action:** Ensure relevant assets are brought into the UK before 5<sup>th</sup> April 2008.

Note that assets owned on 11<sup>th</sup> March 2008 will be exempt from the remittance basis as long as that individual owns it even if the asset is currently outside the UK and imported at a later date. If relevant assets are sold in the UK there will be a charge, as is the case at present. There is an exemption for personal effects (clothes, shoes, jewellery and watches) and assets costing less than £1,000.

The above highlights some options available before 5<sup>th</sup> April; it is not intended to be all embracing.

**ALWAYS TAKE ADVICE ON YOUR PARTICULAR CIRCUMSTANCES BEFORE  
ACTING.**

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\* Technically action should be taken before 6<sup>th</sup> April but 5<sup>th</sup> April is a none working day