

Statistics on non-UK domiciled taxpayers

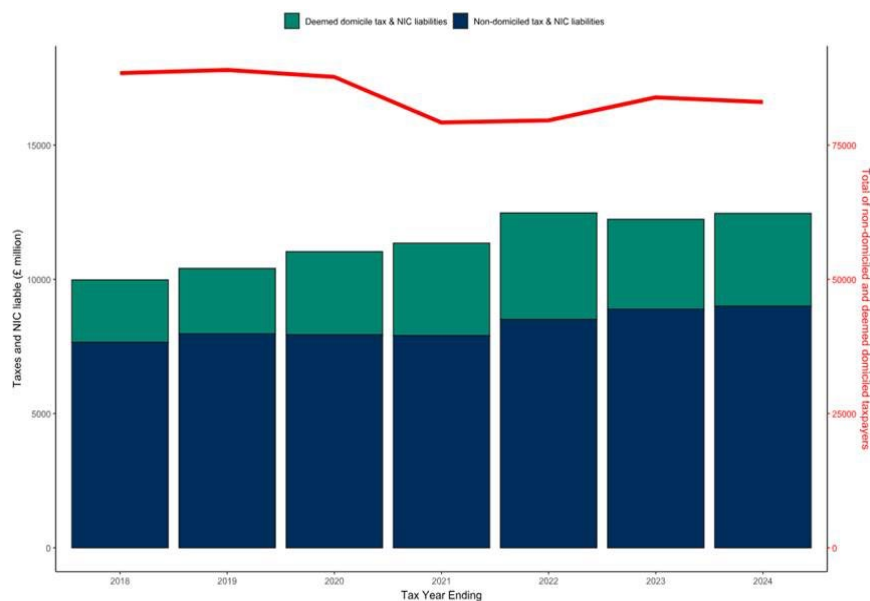
Synopsis: HMRC recent statistics, which show that those claiming non-domiciled status in the UK decreased slightly between 2022/23 and 2023/24.

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HMRC has recently published [statistics](#) on those claiming non-domiciled status in the. This publication is the annual update of statistics on individuals who were non-domiciled or deemed domiciled for tax purposes. [From 6 April 2025, the remittance basis of taxation, which is based on domicile status, was replaced with a new tax regime based on residence.](#)

This HMRC release is for tax year ending 5 April 2024, which occurred prior to these policy changes. The statistics for tax year ending 5 April 2025 will be published in 2026 and will be the final publication in its current form.

Aggregated numbers and liabilities for both non-domiciled and deemed domicile taxpayers (Source: HMRC)...



Key findings from this year's publication were...

- the combined tax and National Insurance Contributions (NICs) liabilities for all non-domiciled and deemed domiciled taxpayers in tax year ending 5 April 2024 was £12.5 billion, a 2% increase on tax year ending 5 April 2023. Around three-quarters of liabilities were for income tax;
- it is estimated that there was a combined total of at least 83,000 non-domiciled and deemed domiciled taxpayers, as indicated in self-assessment tax returns in the year ending 5 April 2024, with the overwhelming majority being non-domiciles. This represents a marginal decline (1%) from 83,900 taxpayers in the previous year;

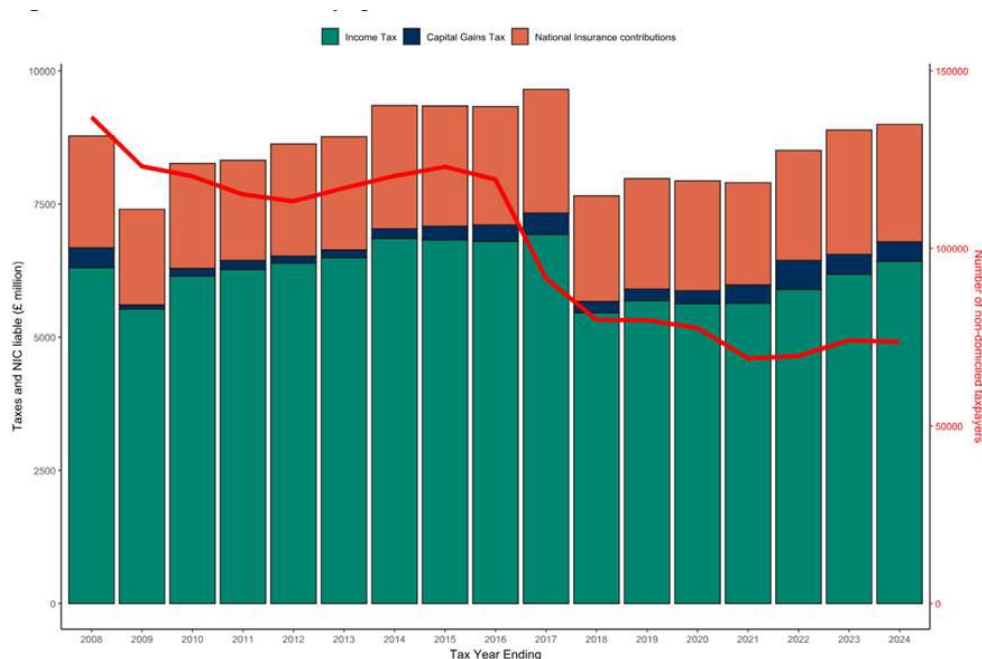
- HMRC believes that this net change of around 900 taxpayers reflects flows of around 9,100 newly arrived non-domiciled taxpayers (down 5,100 year-on-year), offset by 9,500 individuals no longer indicating non-domiciled status through self-assessment (compared with 9,800 in 2023) and around 500 fewer deemed domiciles;
- the number of new arrivals in tax year ending 5 April 2023 exceeded those pre-pandemic (in tax year ending 5 April 2020) by 25%, so HMRC believes that this part-slowness of inflows in tax year ended 5 April 2024 may be a levelling off from that sharp recovery.

At around £9.0 billion, the income tax revenue from non-domiciled taxpayers was £531 million (or 6%) higher than in tax year ending 5 April 2023 and is at its highest level since tax year ending 5 April 2017. This is partially offset by a reduction of £175 million (6%) in NICs and a £133 million (14%) reduction in capital gains tax (CGT).

HMRC estimates that there were 73,700 individuals claiming non-domiciled taxpayer status in the UK in the tax year ending 5 April 2024, down 400 year-on-year (or 0.5%). This follows steady year-on-year increases from the tax year ending 5 April 2021 to tax year ending 5 April 2023, partly driven by a recovery in new arrivals numbers and higher retention rates. The number of non-domiciled taxpayers in tax year ending 5 April 2024 stands 3,900 below that in tax year ending 5 April 2020.

In the tax year ending 5 April 2024, the amount of UK income tax, CGT and NICs liable by all non-domiciled taxpayers was £9.0 billion, as shown in the graph below.

Non-domiciled taxpayer numbers, income tax, CGT and NICs (Source: HMRC)...



Despite the small decrease in the number of non-domiciled taxpayers since tax year ending 5 April 2023, the total amount of tax and NICs liabilities increased by £107 million. That £107 million year-on-year rise reflects income tax paid being up by around 4% (to its highest level since 2017) partly offset by lower NICs (down around 5%) and lower CGT liabilities (down around 3%).

The remittance basis of paying UK tax was an option available to non-UK domiciled individuals, meaning they only paid UK tax on income/profits remitted to the UK from overseas. Those with unremitted income of more than £2,000 and who had been resident in the UK for seven of the last nine years paid a remittance basis charge (RBC) of £30,000 to use the remittance basis. Those who had been resident in the UK for 12 out of the last 14 years had to pay £60,000.

The number of non-domiciled taxpayers paying on the remittance basis was 42,300 in the tax year ending 5 April 2023. HMRC expects to revise this in future years due to a small number of late filers. There was an increase of around 4,100 in the number of remittance basis claimants in tax year ending 5 April 2023. The number of those paying the RBC, the number of those on the remittance basis who had less than £2,000 of unremitted overseas income, and the number those on the remittance basis but not paying the RBC due to residence period all increased.

Only a minority of the taxpayers who were using the remittance basis were liable to pay the RBC. The number of taxpayers who were liable to pay the RBC rose from 1,800 in the tax year ending 5 April 2018 to 2,600 in the tax year ending 5 April 2023. The total amount to be paid by taxpayers in income tax, CGT, NICs and the RBC also rose from £838 million from those who were liable to pay the RBC in the tax year ending 5 April 2018 to £1.4 billion in the tax year ending 5 April 2023.

London continued to have the largest non-domiciled taxpayer population in the tax year ending 5 April 2023, with 58% of non-domiciled taxpayers in the UK located in that region and 74% of non-domiciled UK income tax, CGT and NICs coming from that region. London also had the largest population of UK-resident non-domiciled taxpayers.

To qualify as a non-domiciled taxpayer in the years covered by this publication, an individual must have had their permanent home, their 'domicile', outside the UK. They must also have claimed non-domiciled status in the UK for tax purposes on their UK self-assessment tax returns. Deemed domiciles were formerly non-domiciled taxpayers indicating on their UK self-assessment tax returns that they were now treated as domiciled in the UK for the purposes of income tax and CGT.

Figures for tax years ending 5 April 2022, 2023 and 2024 are provisional (subject to future updates). All other figures are final (they will not be further updated).

From 6 April 2020, individuals, trustees and personal representatives of deceased persons who sell or otherwise dispose of UK residential property where CGT is due on all or part of the gain have had to report the disposal to HMRC within 30 days of completing the disposal. At the same time they must [make a payment on account of the CGT due](#). These statistics also include tax liabilities reported using the new

CGT on UK property service for tax year ending 2021 onwards. HMRC has found that the inclusion of this data increases annual tax liabilities by less than £10 million per tax year.

Remittance basis users could avoid paying UK tax on their remittances if the monies were invested in UK businesses – this is known as Business Investment Relief (BIR) and has been in place since April 2012. In the tax year ending 5 April 2023, the cumulative value of investments in UK businesses on which BIR had been claimed was £9.2 billion. In the tax year ending 5 April 2023, £971 million was invested in the UK from 400 taxpayers which was down by around £189 million from the previous year.

For foreign income and gains arising from 6 April 2025, the remittance basis tax rules for non-UK domiciles were replaced with a new residence-based scheme, and there are various transitional rules.

As a result of these changes...

- Existing BIR investments will continue to benefit from BIR until there's a potentially chargeable event. If there is a potentially chargeable event, the only way to prevent a taxable remittance will be to take the foreign income and gains originally invested offshore, or to make another qualifying investment.
- There's a temporary repatriation facility (TRF) available between 6 April 2025 and 5 April 2028, allowing former-remittance basis users to pay a lower rate of tax when they remit foreign income and gains that arose before 6 April 2025 to the UK. Foreign income and gains that has been used to make qualifying BIR investments can be designated under the TRF without withdrawing the investment from the company.

No further tax will be payable on the designated amount if there is a disposal of the investment or another potentially chargeable event. Where there is a disposal of an investment, any designated amounts are treated as disposed of before any non-designated amounts.

- Any pre-6 April 2025 unremitted foreign income and gains that have not been designated for the TRF can be sheltered under BIR up to 5 April 2028 in the normal way.
- From 6 April 2028, it will not be possible to claim BIR on any new investments or reinvestments.

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