

UK Statutory Residence Test - Don't Get It Wrong!

This test for UK tax residence was replaced with a statutory residence test.

By **Paul Webb**, 11th July 2025

Background

"Don't worry, I never spend more than 90 days in the UK".

This test for UK tax residence was replaced with a statutory residence test, but it is still commonly believed that the above statement is correct.

It is not and, whilst in many cases, the test might result in an individual triggering UK tax residency without expecting it, in many other circumstances, they might have been limiting themselves to the wrong number of days.

For anyone renting or buying property in the UK and starting to spend more and more time in the UK, they should seek advice to be clear what their day pattern in the UK should or can be. This note considers a couple who have not previously been tax resident in the UK. For more information about correctly losing UK tax residence, please see – [Tax Residence Planning Opportunities – Case Studies and How To Get it Right](#). It also does not consider immigration but more information on how Dixcart can assist with UK Immigration can be found here – [Dixcart Immigration](#).

Case Study

Mr Overseas has lived in Europe his whole life. Having sold his successful overseas business a number of years ago, he took early retirement. He is not married.

Having retired, he wants to spend more time in the UK as he has nephews and nieces whom he enjoys seeing more of.

He also feels that the UK real estate market might be a good investment, so he purchases an apartment that he lives in when he is here. It is empty the rest of the time.

Thinking he is doing some clever tax planning, he chooses to limit his days in the UK to 85-89 days, because everyone tells him that if he stays in the UK for fewer than 90 days, he won't become tax resident.

Mr O Should Take Some Advice!

The part of the [UK statutory resident test](#) relevant to him is part 3, the Connecting Factors. In the first year he starts spending time in the UK, he does not have a tax resident family member, he has not exceeded 90 days in the UK in either of the two previous tax years, and he does not work in the UK for more than 40 days each tax year. He does have available accommodation though, so he has just one Connecting Factor. In the first year, he could spend up to 182 days in the UK without becoming UK tax resident, double what he had originally thought.

In the second year, he would still have available accommodation but also now would have spent more than 90 days in one of the previous two tax years. His day limit is now 120 days, still more than the "90 days rule" he had been told about.

Once he discovers this, he starts spending up to 115-119 days in the UK

However – The Rules Need Constant Review

As Mr O is now spending more time in the UK, he meets someone special and gets married. He also gets bored of early retirement and starts a consulting role for most of the days he is in the UK.

Thinking that he has now taken his UK tax advice about residence, he doesn't think to check it again.

Mr O now has a tax resident spouse, he works for more than 40 days in the UK, he has spent more than 90 days in the UK in at least one of the last two previous tax years and he still has available accommodation.

His tax circumstances have changed dramatically and, in fact, if he wants to still remain non-resident in the UK, his day count would be capped at 45 days!

There is still planning to do though, as he might be able to claim the remittance basis as a non-domiciled individual. With the [2025 UK tax changes for non-doms](#) and evolving rules around [foreign income and gains](#), it's important to understand the do's and don'ts to ensure compliance and make informed decisions.

Summary and Additional Information

Whilst Mr O's circumstances shifted during the course of this case study, it is interesting to note that at no point in time was Mr O's day count cap at 90 days, despite the common belief that those are the rules for UK residence.

The remittance basis of taxation, which is available for non-UK domiciled individuals, can be a very attractive and tax efficient position, but it is crucial that it is properly planned for and properly claimed at the right time.

If you require additional information on this topic, further guidance regarding your possible entitlement to use the UK remittance basis of taxation, and how to properly claim it, please contact your usual Dixcart adviser in the UK office:
advice.uk@dixcart.com.

Dixcart UK, is a combined accounting, legal, tax and immigration firm. We are well placed to provide these services to international groups and families with members in the UK. The combined expertise that we provide, from one building, means that we work efficiently and coordinate a variety of professional advisers, which is key for families and businesses with cross-border activities.

By working as one professional team, the information we obtain from providing one service, can be shared appropriately with other members of the team, so that you do not need to have the same conversation twice! We are ideally placed to assist in situations as detailed in the case study above. We can provide cost effective individual and company administration services and also offer in-house expertise to provide assistance with more complex legal and tax matters.