



# International Private Client Services

**Audit / Tax / Advisory / Risk**

**Smart decisions. Lasting value.**

# How we can help



Residence



Domicile



Double taxation



UK property



Matrimonial



Working in the UK



UK tax planning



Philanthropic giving

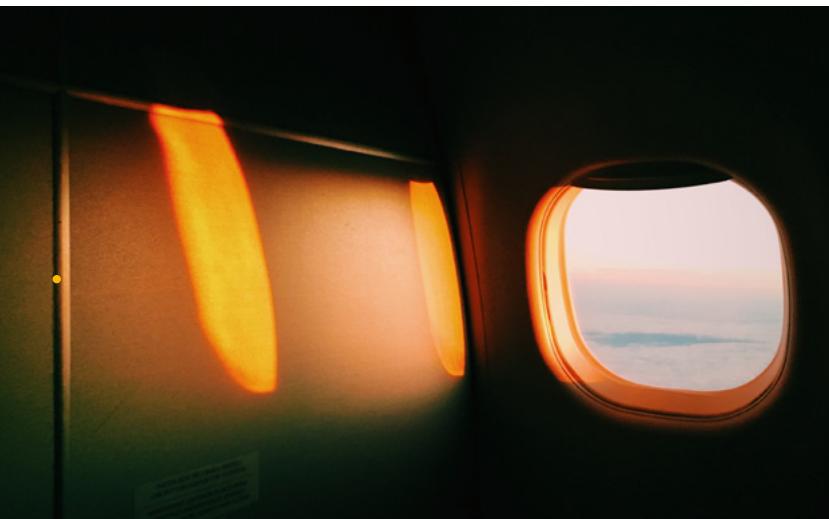


UK tax compliance

In these days of international mobility and increased global financial transparency, managing wealth tax-efficiently can prove extremely challenging. This has become more even more apparent recently, with the issues brought about by Brexit and COVID-19 and complying with the demands of multiple jurisdictions.

At Crowe, we have a specialist team of advisers who combine technical expertise with the firm's commitment to outstanding client service to deliver practical, tailor-made tax advice to internationally mobile individuals, their families and their professional advisers.

Crowe is the UK member of Crowe Global, one of the top 10 accounting networks in the world, incorporating more than 220 firms in 130 countries. Through Crowe Global, we are able to call on our specialist colleagues to provide cohesive advice across all necessary jurisdictions, providing you with a global reach on a human scale.



## Our clients

- Internationally mobile individuals and their families.
- Non-UK domiciliaries (non-doms).
- Non-UK residents investing in the UK.
- Relocating executives.
- International sportspeople and entertainers.
- Trustees, settlors and beneficiaries of offshore Trusts.

## Who we work with



Overseas tax advisers,  
accountants, Trustees,  
fiduciaries, lawyers,  
investment managers and  
immigration specialists

Other UK accountants,  
lawyers, investment  
managers and professional  
advisers seeking  
specialist assistance

## Residence

We advise internationally mobile individuals, balancing advice on tax efficiency with their personal and business requirements. Key to this advice is the UK's Statutory Residence Test, which determines whether an individual is UK resident in a year. The timing of acquiring or losing UK residence can be important in determining exposure to taxes, both in and outside the UK, and in determining whether any pre-arrival or pre-departure tax planning is possible.

We work with the client's existing advisers or with overseas firms in the Crowe Global network to provide coordinated advice. We help our clients to plan well in advance of an international move, or change in residence, to ensure they are able to structure their investments and business interests efficiently prior to the relevant event.

The COVID-19 pandemic has considerably restricted international mobility, and we continue to advise clients on the tax residence implications of being prevented from leaving, or indeed coming to, the UK by illness or travel restrictions. With this in mind it is likely that HM Revenue & Customs (HMRC) will increasingly focus on an individual's residence status when raising an enquiry into their tax affairs and we are very experienced in dealing with such enquiries.

## Domicile

UK resident non-doms are able to benefit from the remittance basis of taxation of non-UK income and capital gains, allowing for a very favourable UK tax regime particularly in the first seven years of UK residence. We advise clients on domicile status (including deemed domicile), maintaining domicile outside the UK where appropriate and assist individuals who have an enquiry into their domicile status from HMRC.

We help clients organise their bank accounts to enable them to take advantage of the remittance basis and bring “clean capital” to the UK free of UK tax.

Such arrangements require ongoing monitoring, which we can also undertake, to avoid unnecessary and potentially costly slip-ups.

Domicile also determines an individual's exposure to UK Inheritance Tax (IHT). Planning in advance of a change in domicile is crucial to mitigate all taxes and we support our clients and their advisers on this.



## Double taxation

### Tax treaties and relief from double taxation

Due to our familiarity with the UK law and the UK's network of tax treaties, we can determine in which jurisdictions different sources of income and capital gains are taxable and claim relief in the UK for foreign taxes suffered. We also work with investment managers and HMRC to reclaim excess foreign tax deducted, for example withholding tax on dividend income in excess of that permitted by the tax treaty.

We are also able to assist with registration and tax compliance for non-resident landlords, the Annual Tax on Enveloped Dwellings (ATED) and Capital Gains Tax calculations, including the use of uplifted base costs (rebasing) to reduce the tax due. This can include advice on payment dates for the tax due, the availability of any relief for main residence and the reporting requirements on the sale of UK property; many of which have seen significant changes in recent years.

We prepare income and expenditure accounts for non resident landlords of UK rental properties for inclusion in UK tax returns, ensuring the correct income is taxed and the correct treatment is applied to expenditure allowable against that income, in particular considering the nature of expenses and the recent restriction of relief for loan interest for individuals.

## UK property

### Buying, owning and selling UK real estate

We advise on the structuring and timing of the acquisition, ownership and disposal of UK real estate by non-UK residents and non UK domiciled clients or their associated companies and trusts.

## Matrimonial

Tax issues around marriage and divorce can be complex; even more so where residence, domicile and cross-border issues are involved. We advise on planning for the marriage of couples from different countries, along with any possible change (planned or resultant) in residency or domicile of either party.

We also advise on minimising tax liabilities in the event of a divorce. Very often taking advice at the earliest stage in the divorce proceedings is critical in determining the optimal timing for any transfer or disposal of assets as part of the financial settlement on divorce. Furthermore, it is critical to understand the tax implications of the use of funds held offshore to satisfy the financial settlement, as significant UK tax liabilities can arise if this aspect is not reviewed.

We can also offer support as expert witness in divorce cases, quantifying the tax exposure from the proposed settlements and working alongside our expert forensic accounting team to help clients and their lawyers reach a conclusion.

For more information, see [our forensic accounting services](#).



## Working in the UK

### Relocating executives

In addition to residence and domicile issues, we advise executives relocating to or from the UK on tax-efficient timing of remuneration. We also examine whether those arriving in the UK are able to take advantage of the available UK tax reliefs specific to their circumstances.

### Foreign entertainers and sportspeople

Foreign entertainers and sportspeople present in the UK in the longer term will require assistance on residence and domicile issues, while those in the UK on short-term engagements will be more concerned with UK withholding tax and reclaiming any excess tax paid from HMRC.

In addition to dealing with UK tax compliance matters we are also able to advise on residence, contractual arrangements and UK tax exposure on matters such as image rights and sponsorship.



# UK tax planning

## IHT and succession planning

The protection of wealth for future generations can be complex in cross-border situations. We have extensive experience of estate and succession planning to minimise IHT.

We work with the client's other advisers in all countries to ensure that the optimal position is obtained and that good practice in one jurisdiction does not result in an unnecessarily complex and high tax consequence in another jurisdiction.

## Structuring your investments

Individuals with international wealth often make use of structures, such as holding companies or partnerships, to own their underlying investments, business interests and family wealth. There are often good non-tax reasons for these structures, such as pooling wealth across the generations or to streamline costs. However, the UK tax treatment of such structures will not always follow the tax treatment afforded in other jurisdictions.

This is due to specific UK tax anti-avoidance legislation, known as Transfer Of Assets Abroad, which is frequently overlooked but has a wide reaching impact on UK taxpayers. We can assist prior to creation of such structures, or in reviewing existing structures prior to arrival in the UK, to ensure that the UK tax position is understood and to determine if it can be optimised by making any changes.

Non-doms are also able to take advantage of Business Investment Relief to remit foreign income and gains to the UK free of tax to invest in UK businesses. We can advise on the strict conditions they must adhere to in order to qualify for this relief and comply with the remittance basis rules.

## Offshore Trusts

Offshore Trusts can be a useful tool in tax planning. For example, settling non-UK assets on an "excluded property Trust" in advance of becoming UK domiciled can shelter those assets from IHT, even when the settlor is later treated as domiciled in the UK. Trusts can also be used for non-tax reasons, such as succession planning and asset protection, particularly to avoid local "forced heirship" rules.

Some clients will already be settlors or beneficiaries of existing Trusts. We can advise on the UK tax implications of these Trusts, including distributions to UK resident beneficiaries and whether any action should be taken in relation to those existing Trusts before the client becomes UK resident.

We can also assist in the unwinding of historic offshore trust structures that may no longer be fit for purpose and repatriate these to the UK ensuring that tax liabilities are mitigated as far as possible.

## Philanthropic giving

In recent years philanthropy has seen a rise in popularity and the worldwide pandemic will no doubt influence many people who would like to give back to society and benefit those less fortunate than themselves.

Our advice can range from organising individual donations to charities to attract the optimum UK tax reliefs while avoiding taxable remittances by non-doms, to more long-term, structured philanthropic planning. For more substantial donations we are able to assist in the creation of a family charity, or a designated bespoke charitable fund managed by a larger organisation on the family's behalf.



## UK Tax compliance

Tax compliance is often seen as a necessary evil and not given a great deal of time or attention. However in these days of greater global transparency and information-sharing arrangements between countries, such as the Common Reporting Standard, it is important that the reporting is accurate and the correct tax is paid.

We are able to guide you through the complexities of the UK tax system, assisting you in registering with HMRC where necessary and preparing and filing:

- annual tax returns for individuals and Trusts
- returns on disposal of UK residential property
- non-resident landlord returns
- IHT returns.

We work with existing advisers or colleagues in the Crowe Global network to ensure the correct application of local tax law. We also consider the effect of tax treaties to determine how and where income and gains should be taxed and to claim the correct reliefs for foreign taxes suffered.

We do understand that things can go wrong and where this happens we work with our specialist Tax Resolutions team to resolve historical UK tax problems which may arise. They will ensure any enquiry from HMRC is valid, take advantage of available reporting facilities to disclose the correct tax position and minimise the financial penalties levied.

Where an enquiry has not yet been raised we are able to review the client's tax compliance position, consider the requirements of the Common Reporting Standard, and ensure that no inadvertent historic UK tax liabilities have been triggered and no UK reporting deadlines missed. This can be particularly relevant for offshore Trustees especially in view of the legislative changes in recent years.

Where mistakes have been made, we will determine the correct position and explain the most appropriate way to disclose this to HMRC in order to minimise interest and penalty charges. Once the history is fully understood and all relevant disclosures made, we are then able to work with the client to ensure the ongoing compliance requirements are followed.

**Start the conversation****Rebecca Durrant**

National Head of Private Clients  
Manchester  
rebecca.durrant@crowe.co.uk  
+44 (0)161 214 7525

**Richard Bull**

Partner  
Midlands  
richard.bull@crowe.co.uk  
+44 (0)121 543 1924

**Lisa Mead**

Partner  
London  
lisa.mead@crowe.co.uk  
+44 (0)20 7842 7302

**About Us**

Crowe UK is a leading audit, tax, advisory and risk firm with a national presence to complement our international reach. We are an independent member of Crowe Global, one of the top 10 accounting networks in the world. With exceptional knowledge of the business environment, our professionals share one commitment, to deliver excellence.

We are trusted by thousands of clients for our specialist advice, our ability to make smart decisions and our readiness to provide lasting value. Our broad technical expertise and deep market knowledge means we are well placed to offer insight and pragmatic advice to businesses of all sizes, professional practices, non profit organisations, pension funds and private clients.

We work with our clients to build something valuable, substantial and enduring. Our aim is to become trusted advisors to all the organisations and individuals with whom we work. Close working relationships are at the heart of our effective service delivery.

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