Cranleys
CHARTERED ACCOUNTANTS



CRANLEYS' CLEVER CHECKLISTS · No. 23 · COMPLIANCE AND INTERNATIONAL

Residence, Domicile and FIG Regime Checklist 2026/27

Tick it, print it, pin it up. Every box you cannot tick is a conversation worth having.

Where does a magpie live?
Wherever it has the best nest.
HMRC has a test for that.



By Colin Davison FCA, Managing Partner, Cranleys Chartered Accountants. In practice since 1998. Reviewed 15 November 2026 against the 2026/27 rules.

THE QUICK ANSWER

Tax residence is decided by the statutory residence test, which looks at days, work and ties to the UK. Since 6 April 2025 the non-dom regime has gone, replaced by a four year foreign income and gains regime for new arrivals. Inheritance tax now depends on long-term UK residence.

THE KEY FIGURES

2026/27 figure	Amount
Residence test	automatic tests, then sufficient ties and days
FIG regime	4 tax years for those non-resident for 10 years before arrival
Overseas Workday Relief	up to 3 tax years, capped
Long-term residence for IHT	UK resident in at least 10 of the last 20 tax years
Temporary non-residence	gains and income taxed on return within 5 years

The checklist, box by box

	The check	What to do	Keep as evidence
☐	**Has the statutory residence test been applied properly?**	Work through the automatic overseas tests, the automatic UK tests, then sufficient ties and day counts. Check split year treatment.	Diary, travel and work records
☐	**Is the FIG regime claimed?**	Arrivals after 10 years non-resident can claim exemption on foreign income and gains for 4 years. It is claimed each year on the return.	Residence history, claim
☐	**Is Overseas Workday Relief considered?**	Relief for earnings on overseas duties for up to three years, with conditions.	Contract, work records, claim
☐	**Is long-term UK residence for IHT tracked?**	After 10 of 20 tax years, worldwide assets can fall within UK inheritance tax, with a tail after leaving.	Year-by-year residence record
☐	**Is temporary non-residence considered?**	Leaving for under five years can bring gains and some income back into tax on return.	Departure and return dates
☐	**Does a double tax treaty change the answer?**	A treaty tie-breaker can override the domestic test for some purposes.	Treaty analysis, diary

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MY PRO TIP

count your days and your ties, then count them again.

A worked example

Someone arrives in the UK in 2026 after being non-resident for more than 10 years. Foreign dividends of £50,000 can be free of UK tax for each of the first four tax years if the FIG claim is made. From year five, foreign income is taxed as it arises. Missing the annual claim means paying UK tax that was avoidable.

The trap to avoid

Assuming 183 days is the only test. The sufficient ties test can make you resident with far fewer days, and automatic tests apply before it.

The case that matters

Gaines-Cooper v HMRC [2011] UKSC 47: leaving the UK needed a real change in life, and HMRC guidance could not override the law. Today the statutory test applies.

Test your accountant

One question that tells you if you have the right adviser:

What was my residence status for each of the last three tax years, and what evidence supports it?

What has changed recently

- The remittance basis and non-dom status ended on 6 April 2025.
- Inheritance tax now follows long-term residence, not domicile.
- Record keeping underpins the answer. See the HMRC compliance checklist.

Questions I get asked

What is the statutory residence test?

A set of automatic and sufficient ties tests that decide whether you are UK tax resident for a year.

What replaced the non-dom regime?

The foreign income and gains regime, giving new arrivals four years of exemption on foreign income and gains if they claim it.

Does 183 days make me resident?

Yes, automatically. But you can be resident with fewer days if you have enough UK ties.

When does my estate come into UK inheritance tax?

After 10 years of UK residence in the last 20, with a tail of three to ten years after you leave.

The 9 CAD Keys link: Consistency

Consistency means the diary, the passport stamps and the return all tell the same story every year.

Colin's 9 CAD Keys. CORE: Clarity, Capability, Consistency. ADVANCED: Analysis & Positioning, Alignment, Acceleration. DYNAMIC: Differentiation, Dexterity, Development. Score each key 1 to 5 in the free Business Value Assessment Scorecard, total out of 45. *Freedom is built. One CAD Key at a time.*

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Tick these next

Tax checklist 08
Inheritance Tax Checklist 2026/27: Nil-Rate Bands and Gifts

Tax checklist 22
HMRC Compliance, Enquiries and Penalties Checklist 2026/27

Tax checklist 25
Cryptoassets Tax Checklist 2026/27

Go deeper: my books

For this topic, start with **Business Tax Secrets**, part of The Cranleys Business and Tax Secrets Series: Property Tax Secrets, Inheritance Tax Secrets, Business Tax Secrets, Starting Up Secrets, Business Growth Secrets and Business Exit Secrets. The books are launching soon. Join the launch list at cranleys.online/books and I will tell you the moment each one is released.

YOUR NEXT STEP

Ring me. Free draft plan, no hard sell.

I will build you a free draft tax plan or business plan on my 9 CAD Keys: a scorecard, a 12-month cashflow forecast, a 90-day action plan and a review with me. **1** Get in touch. **2** Short intro call. **3** Your free draft plan in plain English. You decide what happens next.

Pack the passport and the paperwork.

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Scan to read online, tick it on screen and take the Scorecard



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