

SCHEDULES

SCHEDULE 46

ORDINARY RESIDENCE

PART 2

INCOME TAX: ARISING BASIS OF TAXATION

Savings

- 73 (1) This paragraph applies to an individual who—
- (a) was resident in the United Kingdom for the tax year 2012-13, but
 - (b) was not ordinarily resident there at the end of the tax year 2012-13.
- (2) The provisions listed in sub-paragraph (3) have effect, in relation to such an individual and a qualifying tax year, as if the amendments made to or with respect to those provisions by this Part of this Schedule had not been made.
- (3) The provisions are—
- (a) section 413 of ITEPA 2003 (exception for payments and benefits on termination of employment etc in certain cases involving foreign service),
 - (b) section 414 of that Act (reduction in other cases of foreign service), and
 - (c) Chapter 2 of Part 13 of ITA 2007 (transfer of assets abroad).
- (4) But, in the case of provisions within paragraph (a) or (b) of sub-paragraph (3), this paragraph applies only if service in the employment in question began before the start of the tax year 2013-14.
- (5) The meaning of “qualifying tax year” depends on the individual’s residence status—
- (a) if the individual was resident in the United Kingdom for the tax year 2010-11 and the tax year 2011-12, “qualifying tax year” means the tax year 2013-14,
 - (b) if the individual was not resident in the United Kingdom for the tax year 2010-11 but was resident in the United Kingdom for the tax year 2011-12, “qualifying tax year” means each of the tax year 2013-14 and the tax year 2014-15, and
 - (c) if the individual was not resident in the United Kingdom for the tax year 2011-12, “qualifying tax year” means each of the tax year 2013-14, the tax year 2014-15 and the tax year 2015-16.
- (6) Where, by virtue of this paragraph, it is necessary to determine whether an individual is (or is not) ordinarily resident in the United Kingdom at a time on or after 6 April 2013, the question is to be determined as it would have been in the absence of this Schedule.