



Renting Out Your Property While Living Abroad

A Perry Bishop Guide for Overseas Landlords

If you're planning to move abroad but would like to keep your UK property and rent it out, there are a few important things to put in place before you go.

At Perry Bishop, we regularly help landlords who are relocating overseas. This guide explains what being an overseas landlord means, how the UK tax rules work, and how we help make the process straightforward and stress-free.

What Is an Overseas (Non-Resident) Landlord?

You are classed as an overseas (non-resident) landlord if:

- You live outside the UK for more than six months in a tax year, and
- You receive rental income from a UK property

This applies whether your move abroad is temporary or long term.

The Non-Resident Landlord Scheme (NRLS)

HMRC operates the Non-Resident Landlord Scheme to ensure tax is correctly paid on UK rental income when the landlord lives overseas.

Under this scheme:

- Tax may be deducted from your rental income before it is paid to you
- This deduction is made by your letting agent, or by the tenant if no agent is used

The NRL1 Form – Why It's Important

The NRL1 form allows overseas landlords to apply to receive their rental income without tax being deducted at source.

If HMRC approves your application:

- Your rent is paid to you in full
- You then declare the income and pay any tax due through your UK Self Assessment tax return

If an NRL1 is not in place:

- Basic rate tax (currently 20%) must be deducted from your rent
- The deducted tax is paid to HMRC on your behalf
- You will still need to complete a tax return

Most overseas landlords choose to complete the NRL1, as it offers better cash flow and greater control.

Who Deducts the Tax?

- Using Perry Bishop as your managing agent:
We are legally required to deduct tax unless HMRC confirms NRL1 approval.
- No letting agent in place:
Your tenant must deduct tax if the rent exceeds £100 per week.

This is one of the key reasons many landlords choose a fully managed service when living abroad.

What We Recommend Before You Move Abroad

Apply for NRL1 Approval

- One NRL1 form per property owner
- Submitted before or shortly after leaving the UK
- HMRC will confirm approval to both you and us directly

Appoint a Fully Managing Agent

With Perry Bishop managing your property, we:

- Handle the Non-Resident Landlord Scheme correctly
- Act as your UK-based point of contact
- Receive legal notices on your behalf
- Manage repairs, compliance and tenant communication
- Ensure your property continues to meet all legal requirements

Register for UK Self Assessment

Even with NRL1 approval:

- A UK tax return is still required
- Rental income and allowable expenses must be declared
- Any tax due is paid directly to HMRC

Your Ongoing Responsibilities as a Landlord

Living abroad does not remove your legal responsibilities. You must still ensure:

- A valid Gas Safety Certificate
- A current Electrical Safety Report (EICR)
- The property is safe, compliant and fit for habitation
- The tenant's deposit is protected correctly
- All required legal documents are served
- Your insurance and mortgage lender are informed

We manage and monitor these requirements for our fully managed landlords.

Selling Your Property While Living Abroad

If you decide to sell your UK property while overseas:

- UK Capital Gains Tax may still apply
- Sales usually need to be reported to HMRC within 60 days
- We recommend seeking specialist tax advice

In Summary

- Moving abroad makes you an overseas landlord for UK tax purposes
- The NRL1 form is key to receiving rent without tax deductions
- A UK tax return is still required
- A fully managed service simplifies compliance and communication
- Your landlord responsibilities remain the same, wherever you live

How Perry Bishop Can Help

Whether you're relocating for work, lifestyle or family reasons, we'll ensure your property is professionally managed, fully compliant and cared for while you're away.

Property Made Personal. Even from overseas.

This guide is for general information only and does not constitute tax advice. We recommend seeking independent tax advice where appropriate