

# NRL (Non-Resident Landlord) FAQ

## What is a non-resident landlord?

A non-resident landlord is someone who has a house, flat or any other property in the UK and rents this out whilst living abroad.

Non-resident landlords will have to pay UK tax on any taxable profits from their rental income at the appropriate rate of income tax.

## What is the Non Resident Landlord Scheme?

The tax office has a scheme called the non-resident landlord scheme which allows non-resident landlords to opt out of having income tax automatically deducted from their rental income.

Via a rental property agent or tenant HMRC automatically collects a 20% tax from a non-resident landlords rental income.

## How to apply to the NRL Scheme: Form NRL1

In order to apply to this scheme, the form 'NRL1' must be completed. The form NRL1 tells the tax office what they need to know to be able to make a decision on your application.

The [NRL1 can be either completed online](#) or downloaded and posted to HMRC. HMRC will process your NRL1 form and give you confirmation on their decision.

## What happens on the NRL Scheme?

If you get accepted onto the scheme, the tax office will communicate with your letting/managing agent to inform them that the non-resident landlord has been approved to receive rents without tax deductions.

You as the non-resident landlord will also receive confirmation of this approval.

This notice means that the letting agent no longer has to collect and pay to HMRC tax from your rental income.

## Do I still need to fill in a non-resident tax return?

If the tax office sends you a tax return you still need to submit a tax return and declare your rental income received in the UK even if you haven't paid any tax on it.

In some circumstances if your application to the non-resident landlord scheme has been successful you will not need to fill in a tax return. The tax office will notify you if this is the case.