Section 3 of the guide: Buying property in Dubai from the UK: what it costs, how to move the money, and what HMRC expects

What you report to HMRC

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I am not an accountant, and I do not give tax advice. This section explains what to check. Before you buy, speak to a UK accountant about your own position.

Rent. If you are UK resident, rent from a Dubai property is foreign income, and it normally goes on the Foreign pages of your Self Assessment return (SA106). According to HMRC's notes, if your total property income, including UK property, is £1,000 a year or less, it is exempt and you usually do not need to report it.

No Dubai tax to offset. If you pay tax abroad, you can often claim relief for it against UK tax. Dubai has no income tax on individuals, so there is usually nothing to offset.

The UK–UAE tax treaty. The UK and the UAE have a double taxation convention, in force since December 2016 and applying from 2017. It sets out which country may tax what. It does not mean that income untaxed in the UAE is untaxed in the UK.

Selling. If you are UK resident when you sell, a gain on a Dubai property is generally subject to UK Capital Gains Tax. The 60-day return is for UK property. A gain on a property abroad is reported through Self Assessment for the tax year of the sale, or through HMRC's real-time Capital Gains Tax service. Residential property gains are currently taxed at 18% or 24%, depending on your income. Ask your accountant how the exchange rate on the day you bought and the day you sold affects the gain.

Inheritance Tax. Since 6 April 2025, UK Inheritance Tax depends on residence, not domicile. If you have been UK resident for at least 10 of the previous 20 tax years, your assets outside the UK, including a Dubai property, can fall within the scope of Inheritance Tax. See also the guide to inheritance and wills.

Questions to take to your accountant:

- How do I report the rent, and which expenses can I deduct?
- What will I report and pay if I sell, including at a loss?
- How do exchange rates affect the gain?

- Does Inheritance Tax apply to me, and should I plan for it now?

Documents to keep from day one: the sale and purchase agreement (SPA), the registration certificate (Oqood, and later the title deed), the developer's statements of account, every SWIFT confirmation, and, if you let the flat, the tenancy contract and the management company's reports.

The full guide on the site: u810properties.com/en-guide-buying-from-uk

Buying in Dubai from the UK?

Tell me your budget, and whether you're buying in cash or with a mortgage.

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This guide explains what to check. It is not tax, legal or financial advice. UK tax rules change, so check your own position with a UK accountant before you buy.