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

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You can buy in Dubai from the UK without flying out for every step. Plan three things early: the full cost on top of the price, the transfer from your UK bank, and your UK tax position. Dubai has no income tax on individuals, but if you live in the UK, HMRC still expects you to report rent and gains from a Dubai property.

In short

- **The cost:** on top of the price you pay the 4% Dubai Land Department fee and a few smaller fees.
- **The money:** your UK bank is likely to ask where the money comes from and what it is for. Have the documents ready before you commit to payment dates.
- **The tax:** no income tax in Dubai, but a UK resident reports Dubai rent and any gain on a sale to HMRC.

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01 What it actually costs

Prices in Dubai are set in dirhams (AED). The dirham is pegged to the US dollar, so the sterling price moves with the pound against the dollar.

An example: a flat priced at AED 2,000,000, at about AED 4.94 to the pound (5 November 2026).

	AED	GBP, approx.
Price	2,000,000	£405,000
Dubai Land Department fee, 4%	80,000	£16,200
Total before smaller fees	2,080,000	£421,000

When you buy a ready (completed) property, there are further costs such as the trustee office fee and, usually, an agency commission. Every fee, with its source, is in the table of Dubai property fees. To work out your own figure, use the buying costs calculator.

02 Moving the money from a UK bank

For a large payment, most buyers use a bank transfer. When I bought my own flat off-plan, a bank transfer was the route that worked for large amounts.

Before a large transfer, your bank will probably ask where the money comes from and what it is for. Ask your bank early which documents it wants. In my experience, these are worth having ready:

- The proforma invoice or the sales offer from the developer.
- The reservation form for the unit.
- The developer's trade licence.
- Evidence of where the money comes from, such as savings statements or a completion statement from a sale.

Three things that save time:

- **Check the account.** On an off-plan purchase, payments go into the project's escrow account. Before every transfer, check that the bank and account number match what the Dubai Land Department's official app, Dubai REST, shows.
- **Write the unit number** in the payment reference, and keep the SWIFT confirmation from your bank.
- **Ask for the full address.** Dubai does not use postcodes, and a missing beneficiary address can stop a transfer. Get the developer's address exactly as it should appear on the payment.

More detail is in the guide to transferring money to Dubai.

03 What you report to HMRC

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.

04 Buying from a distance

Most of an off-plan purchase can be done from the UK: reserving the unit, signing the sale and purchase agreement, the payments, and keeping track of registration. When I bought my own flat, I didn't need to be in Dubai for any step. I flew out anyway: it was my first purchase abroad, and I wanted to see the area with my own eyes and check things on the ground.

Before you take the keys, it is worth inspecting the flat, in person or through someone you trust. See the guide to handover day.

05 How I help

I bought in Dubai myself, so I know where the process slows down. I help you check the project and the developer, prepare the documents your bank and your accountant will ask for, and track every payment through to registration. The fee depends on the deal and on the services you need, and I quote it after our first conversation.

Frequently asked questions

Can I buy a property in Dubai from the UK?

Yes. If you are not a UAE national, you can own property outright in the areas designated for foreign ownership (freehold areas), and you do not need a UAE residence visa to buy. Most steps of an off-plan purchase can be done from the UK.

How do I buy a property in Dubai from the UK?

On an off-plan purchase, you reserve the unit, sign the sale and purchase agreement, pay into the project's escrow account, and the developer registers the sale with the Dubai Land Department. If a step needs someone in Dubai and you cannot go, you can give a power of attorney. In the UK you sign it before a notary or solicitor, and it is then legalised by the FCDO, attested by the UAE Embassy in London, and attested again by the UAE Ministry of Foreign Affairs.

What documents do I need to buy a property in Dubai from the UK?

A valid passport, and your Emirates ID if you live in the UAE. The developer or agent may also ask for proof of where the money comes from, under UAE anti-money-laundering rules.

Can British expats buy property in Dubai?

Yes. The rule does not depend on nationality or on where you live: anyone who is not a UAE national can buy in the areas designated for foreign ownership.

Is Dubai property a good investment for UK residents?

There is no single answer. It depends on the price, the costs of buying, how much rent is left after expenses, the pound against the dirham, and UK tax on the rent (see above).

Do I need to go to Dubai to buy a property?

No. Reserving, signing, the payments and registration can all be done from the UK. I didn't need to be in Dubai for any step, though I went anyway to see the area. Before you take the keys, it is

worth inspecting the flat in person or through someone you trust.

Do I pay UK tax on rent from a Dubai flat?

If you are UK resident, the rent is foreign income and normally goes on the Foreign pages of your Self Assessment return. Dubai has no income tax on individuals, so there is usually no foreign tax to offset. Check your own position with a UK accountant.

What does a Dubai flat cost on top of the price?

The main extra is the 4% Dubai Land Department fee, plus smaller registration and trustee fees. On a resale, there is usually an agency commission too. See the table of Dubai property fees.

Sources

- Rent and the £1,000 property allowance: HMRC, SA106 Foreign notes 2026.
- The tax treaty: GOV.UK, 2016 UK–UAE Double Taxation Convention.
- Reporting a gain: GOV.UK, Report and pay your Capital Gains Tax. Rates: GOV.UK, Capital Gains Tax rates and ICAEW.
- Inheritance Tax: GOV.UK, Inheritance Tax if you're a long-term UK resident.
- Exchange rate: the European Central Bank reference rate for 5 November 2026 and the dirham's dollar peg of 3.6725.
- The documents and the transfer: my own experience buying in 2024.

Buying in Dubai from the UK?

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

Send a WhatsApp message →

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.