



Repatriation Guide

Get The Facts Before
You Fly Home

Returning Home?

Before you board the plane home, make sure you are prepared.

Returning home after a long time overseas can be a stressful and drawn out process which requires careful planning and consideration. The right kind of advice from the right kind of advisor can ensure your journey home goes as smoothly as possible giving you the chance to focus on other matters as your repatriation becomes a reality.

For many, the process of repatriating becomes a stressful experience. With careful planning you might actually enjoy the process! Think of it as being similar to when you first began your expat adventure, just without the hassle of opening a bank account in a foreign country.

It's estimated that around a third of international workers will either return home or move to a new destination in their lifetime.



Repatriated:

Verb (used with object), repatriated, repatriating. To bring or send back a person to his or her country or land of citizenship.




Consequences Of Moving

Unfortunately, whilst there are close to 500 international globally based planning firms, over 97% of these have no ability to offer regulated ongoing advice or service to expats when they choose to return home. And with the majority of internationally based advisors geared up to only provide offshore and localised solutions in the jurisdiction they are based, many investors find that the consequences of moving have been completely overlooked, resulting in additional fees, tax penalties and more.

If you find yourself in a similar position, this e-guide covers salient points to consider ahead of your departure and the changes you can make to ensure your retirement plan is as flexible and portable as your circumstances require.





Resident Or Non-Resident? That Is The Question

First things first though, you must establish if you are classed as a UK resident. With many people still moving back and forth it can become quite complicated to establish your residency status.

You are a UK resident if you;

- You are present in the UK for 183 days or more in a tax year; or
- There is at least one period of 91 consecutive days, at least 30 days of which fall in the tax year, when:
 - you have a home in the UK in which you spend a sufficient amount of time (typically 30 days), and either you:
 - have no overseas home, or
 - have an overseas home in which you spend no more than a permitted amount of time (typically 30 days)
- The 30-day presence rules operate on each home separately and independently, or
- Work full time (typically 35 hours per week) in the UK, as assessed over a period of 365 days with no significant break (typically 31 days of less than 3 hours work) (also consider relevant jobs)

You are an overseas resident if you;

- Are resident in the UK in all of the previous three tax years and present in the UK for fewer than 16 days in the current tax year; or
- Aren't resident in the UK in all of the previous three tax years and present in the UK for fewer than 46 days in the current tax year; or
- Work "full time overseas" (typically 35 hours), in the year of assessment and there are no significant breaks from overseas work (typically 31 days of less than 3 hours work), the number of days on which more than 3 hours are worked in the UK is less than 31 and the number of days spent in the UK is less than 91



While You Were Away

Issues To Consider Before You Return

Recent changes to the Lifetime Allowance

Having steadily decreased since peaking at £1.8 million in 2010/11, the standard pensions Lifetime Allowance (LTA) now stands at £1,073,100, and has been frozen at this level until the 2025/26 tax year. Anybody with an estimated pension portfolio approaching £700,000 or a projected retirement income of £35,000, must review their retirement plans now.

Those who do nothing risk being taxed at a rate of 55% for any excess (amount above the lifetime allowance) taken as a lump sum, or 25% for any excess taken as income (in addition to your marginal UK income tax rate).

State Pension Requirements

To be eligible for a UK State Pension, you must have made National Insurance Contributions for a minimum number of years. The number of years that you need to contribute to qualify for the minimum pension varies depending on your age, but often you'll need at least 10 qualifying years on your record.

Since 2017, to qualify for the full state pension you need to make 35 years' worth of National Insurance (NI) contributions, rather than the current 30, to qualify for the full state pension. Whether or not you will be awarded the UK State Pension is usually based on the UK qualifying years you have worked. You can however accrue qualifying years in the European Economic Area, Switzerland, or certain bilateral countries that have a social security agreement with the UK.

Leaving The EU

While January 2020 slips further into the distance, the reality is that Brexit still represents a rather large 'unknown' and will continue to do so for some time.



Tax Updates

In the Autumn Statement, Chancellor Jeremy Hunt reversed the abolishment of the 45% additional income tax rate for those earning over £150,000 introduced by his predecessor Kwasi Kwarteng. And then reduced the tax threshold to £125,140 for good measure.

Having previously been frozen until April 2026, the basic rate Income tax allowance will now remain at £12,570 until 2028. Likewise, the higher rate threshold will stay at £50,270.

Capital Punishment

Currently, the Capital Gains Tax (CGT) allowance stands at £12,300 per person, however from April 2023, this allowance, which has been steadily rising since its inception in 1977, has been cut to £6,000 per annum. And in 2024, the exemption will fall further to just £3,000 per annum.

Stealth Tax On Inheritance

Of all the tax freezes, it's perhaps the news that the existing nil rate band of £325,000 for Inheritance Tax (IHT) will now remain in place until 2028 that grabbed the headlines. After many years of house price rises, many commentators already believe the nil rate band to be too low and with inflation and families naturally gathering greater wealth through their lifetime, IHT planning is becoming even more important.





Tieing Up Loose Ends

Selling your property

Ideally when moving on to your next posting, you should begin reviewing your financial affairs 18-24 months in advance. And whilst this often isn't achievable the tax implications can be significant. Throw in the lengthy process of selling a property and it becomes clear why many international workers choose to rent throughout their time overseas.

International Company Pension

If a company pension was included in your relocation package, now would be a good time to review the benefits and general terms. Typically, even if you are still with the same employer, the pension you have contributed to overseas will be separate to the one you had back home. Our team of international pension specialists are on hand to talk you through your scheme and outline what, if anything you need to do prior to returning home.

Health and life insurance

If you have taken out some form of cover whilst residing overseas, now is the time to check its validity when you leave. It's often the case that your plan will be worthless when you leave so it's vital that you obtain a more suitable policy.

Bank accounts

Whilst it's not a requirement, it's probably prudent to close any local bank accounts. Don't assume that by withdrawing all your money the account will stop accruing charges.

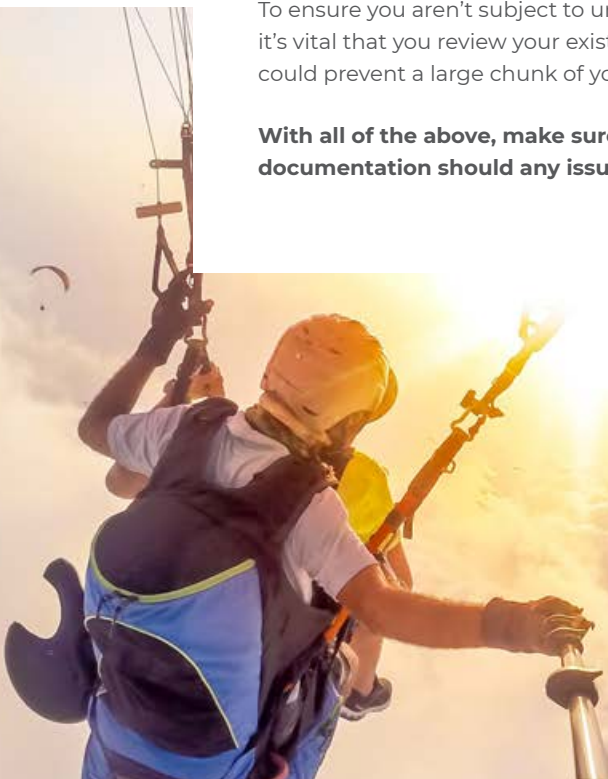
Check your new tax status

Whilst income tax isn't something you will have had to consider whilst living in the region, it's important that you register with the local tax authority in your new country of residence as soon as possible.

Review your investments

To ensure you aren't subject to unexpected tax liabilities in your new country of residence, it's vital that you review your existing investments. By actioning this before leaving, you could prevent a large chunk of your wealth falling into the hands of the tax man.

With all of the above, make sure you get written confirmation and keep copies of all documentation should any issues arise in the future.





Building a portable, flexible investment portfolio

As the saying goes; 'don't place all your eggs in one basket. And this has never been more important than when formulating a portable retirement plan. It's good practice to invest in a mix of asset classes and currencies to protect against market changes. Investing in tax beneficial offshore jurisdictions allows you to keep more of your money and limits the impact of moving as and when your life requires you to.

At Skybound Wealth we use UK Crown Dependencies or territories with similar protection and the same transparent regulations. This allows us to offer tax efficient investments and savings with high levels of investor protection whilst providing much needed peace of mind to our clients.

When formulating your offshore savings plan, we take the time to understand your attitude to risk, the level of input you wish to have in managing your investments and the specific objectives that you're trying to achieve. We will then make various recommendations, tailor-made to you

Local Knowledge, Global Reach

Like feathers in the wind, the life of an international worker can take them to the most random and wonderful places as they excel in their careers. At Skybound Wealth we understand the importance of ensuring you retain regular access to either your investments or your financial planner regardless of where your journey takes you. Our regional offices dovetail together creating one worldwide team, combining global coverage with local knowledge to ensure all our clients are able to realise the potential their international status brings, regardless of where their journey might take them.



What Our Clients Say...

At Skybound Wealth we are constantly asking our clients for feedback to enable us to gauge the service provided and identify ways we can improve.

With over 400 reviews rating Skybound Wealth 4 star or above on Trustpilot, here are some of our most recent reviews:

Charles says...

The review was based on facts and statistics. Informed advice was given based on the review of my financial position, balancing the risks and benefits associated with my current and future financial position. Outlook of future investments with attractive returns was provided based on historical data.

Bobby says...

Just had my review. Professional as always. Being able to meet online was a great help too, even if I do struggle with the modern technology, my advisor talked me through how to use Zoom!

Anthony says...

Professional and efficient team based in UAE providing clear advice on investment structure and portfolio spread removing the headache from day-to-day management.

Magdalena says...

Skybound Wealth Management financial advisors have been helping me for few years to manage my finances. They never go wrong with advice or switching the funds.

Mandy says...

I continue to have good working relations with Skybound Wealth Management. The team is professional in responding to requests and also follows up to ensure action is taken timely. They are responsible, flexible and take into consideration the concerns of their clients.

Ebix says...

My experience was very cordial, informative, and professional. I got the impression that I was dealing with a very knowledgeable and experienced individual. I am a very satisfied customer and cannot wait for the next review.



Working Together For A Brighter Future

Through a combination of passion for what we do, a desire to innovate and our ambition to define the future of the offshore wealth advice industry, Skybound Wealth Management exists to guide you through the important financial decisions required today, to ensure you benefit from the freedom of tomorrow.

Award winning international financial planning advice from Skybound Wealth Management.

In the words of International Adviser, 'Skybound is an established business with an impressive track record, impressive plans, extensive regulations a great strategy and all-round client focus.'

Skybound Wealth received seven awards across three jurisdictions, which recognise the efforts of every member of the Skybound family.



Skybound Wealth Management is a signatory of the United Nations Principles for Responsible Investing (PRI).

As signatories, Skybound Wealth commits to upholding PRI principles that aim to develop a more sustainable global financial system. Part of how we do this is by integrating ESG considerations into our investment portfolios.

Signatory of:





Our Offices

Company Map

Switzerland - GENEVA

Tel: +41 (0) 22 518 0286

UK - LONDON

Tel +44 (0) 208 706 0906

USA - MIAMI

Tel +1 (786) 408 7703

UAE - DUBAI

Tel : +971 4450 9700

UAE - ABU DHABI

Tel +971 4450 9799

USA - HENDERSON (NEVADA)

Tel +1 (702) 608 8293

UK - SHEFFIELD

Tel +44 (0) 1302 703128

 **SKYBOUND**
WEALTH MANAGEMENT



Securing Your Future.

Wherever You Are Today.

We exist to educate and guide you through the important decisions required today, to ensure you benefit from the freedom of tomorrow.