

Non-Resident Landlord (NRL) Scheme - Information Bulletin Number 1

Welcome to our first information bulletin for letting agents and tenants. We hope these bulletins will help you to meet your obligations under the scheme and be a useful source of information.

What's in this issue?

1. Changes to the time limit for providing evidence of tax paid
2. Commonly asked questions and answers
3. Help and further information
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1. Changes to the time limit for providing evidence of tax paid

When one of our auditors discovers that a letting agent or tenant has failed to account for tax under the Non-Resident Landlord (NRL) Scheme, they normally seek to recover the tax. But where the landlord has paid the tax on any rental income or had no liability, the auditor will normally only recover interest and penalties.

Auditors allow letting agents and tenants 90 days to provide evidence that the landlord has paid the tax or had no liability. These arrangements are described at paragraph 12.35 of ['The Non-resident Landlords Scheme. Guidance notes for letting agents and tenants'](#).

As communications have become quicker over recent years - for example, by the widespread use of email - we have decided to amend this administrative arrangement to a period of **30 days**. The guidance notes will shortly be amended to reflect this change.

We intend to adopt this approach for all audits starting after the date of this bulletin.

2. Commonly asked questions and answers

2.1. Do non-resident landlords need HM Revenue & Customs (HMRC) approval before receiving their rental income with no tax deducted?

Yes, in order to receive their rental income with no tax deducted, landlords must be approved by HMRC. To apply they must use the following forms:

Individuals	form NRL1
Companies	form NRL2
Trusts	form NRL3

2.2 Who needs HMRC approval if the property is jointly owned?

Where a property is jointly owned, each non-resident landlord must be approved by HMRC before they can receive their rental income with no tax deducted.

For example, if Mr and Mrs Smith jointly own a property, they **each** need HMRC approval. If only Mr Smith has been approved then only his share of the rental income can be paid with no tax deducted. Tax must be deducted from Mrs Smith's share of the rent.

2.3 Should letting agents and tenants deduct tax if they don't have an HMRC approval notice for the landlord?

Letting agents and tenants should **only** pay rental income to landlords with no tax deducted when they have an HMRC approval notice (form NRL 8) addressed to their letting agency. If you are in any doubt please contact Residency Operations on Tel 0151 472 6208/6209.

2.4 When do I pay the tax to HMRC and how do I account for it?

All tax deducted must be declared and paid to HMRC each quarter on form NRLQ.

The quarter end dates are:

30 June	return and full payment due no later than 30 July
30 September	return and full payment due no later than 30 October
31 December	return and full payment due no later than 30 January
31 March	return and full payment due no later than 30 April

The form NRLQ is issued automatically to all letting agents who have registered with HMRC. If you do not receive one please contact the NRL Team on Tel 0151 472 6257.

2.5 What if there are no liabilities and I don't have to make a payment?

A form NRLQ must still be completed and returned to HMRC by a letting agent, even if no tax has been deducted in the quarter.

3. Help and further information

Tel: 0151 472 6257 for general advice, help to complete forms, requests for guidance notes and forms.

For queries regarding interest charged or payments Tel 01274 539665.

Tel: 0151 472 6208/6209 - NRL approvals

Tel: 02920 325048 - Public Dept 1 (Armed forces)

Tel: 02920 325363 - South Wales Office (Crown Servants)

Address to send back NRLQ

(with or without payments)
HM Revenue & Customs
Accounts Office
Section 1
BRADFORD
BD98 1YY

Address to send back annual returns (NRLY)

HM Revenue & Customs
NRL Team
Room 330
St Johns House
Merton Road
Liverpool
L75 1BB

Address to send forms NRL1, 2, 3

HM Revenue & Customs
Residency
NRL Processing
St Johns House
Merton Road
Bootle
Merseyside
L75 1BB

Address to send forms NRL1 for Crown Servant and Armed Forces

HM Revenue & Customs
Government Buildings
Ty Glas
Llanishen
Cardiff
CF14 5YA

Contact us by email at savings.audit@hmrc.gsi.gov.uk

This email address can be used to contact the NRL team in Liverpool - your email will be forwarded to the correct person. This address is monitored regularly.

Customer service

We are keen to improve the service we provide to letting agents and tenants. If you have any feedback or ideas of how we can do this please contact us at the address above.

And if you'd like to receive future bulletins by email - send us your email address.

4. Forms available on the HMRC website

Form [NRL 1](#) and [NRL 1 Guidance Notes](#)

Form [NRL 2](#) and [NRL 2 Guidance Notes](#)

Form [NRL 3](#) and [NRL 3 Guidance Notes](#)

Form [NRL 4](#)

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