



Non-Resident Return Guide

▶▶▶ online services

Why should I use Isle of Man Government Online Tax Services?

- Securely complete returns online (including the Non-Resident return)
- Receive immediate confirmation of the receipt of return
- Receive and view assessments and other notices online
- Make secure online payments
- Update personal details, i.e. change of address.

How do I register for online tax services?

Visit www.gov.im/onlineservices and select the 'Income Tax' service.

Complete the following steps

- Register for Isle of Man Government Online Services
- Enrol for Individual Tax Service and request an activation code
- Receive a security code by email and an activation code by post
- Complete your enrolment for Individual Tax Services

Once the above steps are completed, you will be able to use the service.

For your assistance, help is available on our website www.gov.im/incometax. The help will guide you through registration, enrolling and completion of a return.

Return Submission Dates

Non-Resident returns are required to be submitted within six months of the date of issue. You can find the due date on the top right hand side of your return.

**PENALTIES OF
UP TO**

£300

**You will be charged
penalties if you don't
submit your Return Form
by the due date**

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2 Rental Income From Land and Property on the Isle of Man

If you receive rental income jointly with another person, you should only declare your share of the income, and claim for your share of the expenditure and any tax already deducted.

Rental Expenses — Only the cost of mortgage interest, maintenance, repairs, insurance and management are allowable. Capital expenditure such as altering or improving the land/property and legal expenses in purchasing or selling the land/property, are not allowable.

Capital Allowances — A 10% straight line allowance is available for the cost of any qualifying capital expenditure. Expenditure which does not qualify for capital expenditure includes expenses already admitted as a revenue deduction (i.e. repairs) and structural additions, alterations, modifications, expansions and improvements to the property including re-dividing or partitioning and creating car parking facilities.

Losses — Excess expenditure can be carried forward for relief against subsequent rents from the same property. Two or more properties or parcels of land can be treated as one (i.e. pooling) subject to the following conditions:

- A) Excess expenditure not relieved under pooling is available to carry forward against subsequent rents from the same property.
- B) Expenditure on properties not let at full open market value cannot be pooled.

4 Self Employment

Here is some general information on self employment. Further information in the form of a guidance booklet (GN4) can be downloaded from the Division's website.

Allowable Business Expenditure:

Costs which are incurred for the sole purpose of earning business profits can be claimed, such as:

- Everyday costs of the business and maintaining its equipment
- Goods or materials sold or used in the business
- Business travel
- Loose tools and other small articles used in the business (*where capital allowances have not been claimed*)
- Interest on business loans
- Employees wages

Expenses which cannot be claimed include:

- Money paid or taken from the business for personal spending or as drawings, wages or interest on capital
- Private or personal expenses
- Depreciation
- The cost of purchasing capital items. (*Capital allowances maybe claimed on this expenditure, see below*)
- Travel to and from work

Capital allowances are available in respect of:

- Plant and machinery
- Agricultural or Industrial buildings
- Tourist premises
- Vehicles

The initial allowance claimed for capital allowances can be up to 100% of the cost. Apart from vehicles, where the maximum claim is usually 25%.

8 Automatic Transfer of Refund

By ticking this box you are authorising the Income Tax Division to transfer any refund to an assessment which has been raised, but is not yet payable. For example, a refund cheque may be issued to you in December, when a liability is payable in January. If your refund is sufficient to clear the balance due in January you will be refunded any excess. If your refund is less than the balance due, the refund will be transferred to reduce the balance.

This authority will remain in force until you notify the Income Tax Division that you wish refunds to be issued regardless of any future assessments which have been raised but not yet payable.

Contact Information

If you have any further queries regarding your Non-Resident return form, please do not hesitate to contact us.

Email	incometax@itd.treasury.gov.im
Website	www.gov.im/incometax
Telephone	0044 (1624) 685400
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