



Investments: Taxable property: Meaning of taxable property: Residential property

Residential Property

Residential property can be in the UK or elsewhere and is

- A building or structure that is used or suitable for use as a dwelling
- Any related land that is wholly or partly the garden for the building or structure,
- Any related land that is wholly or partly grounds for the residential property and which is used or intended for use for a purpose connected with the enjoyment of the building.
- Any building or structure on any such related land,
- in limited situations a hotel, which includes an inn, or similar accommodation, will be counted as taxable property through this will only be where it provides accommodation rights such as timeshare.
- A beach hut
- Any building specified in Regulations as residential property
- Certain buildings that would otherwise be within the definition of residential property are not to be treated as residential. **A building used for any of the following purposes is not residential property.**
- A home or other institution providing residential accommodation for children. This means a dedicated children's home not simply any home that children live in, for example a family home.
- A hall of residence for students. This does not include normal houses or flats to let to, for example, university students.
- A home or other institution providing residential accommodation with personal care for persons in need of personal care by reason of age, disability, past or present dependence on alcohol or drugs or past or present mental disorder.
- a hospital or hospice
- a prison or similar establishment
- any building specified in regulations as not to be treated as residential property.

If a building is not currently in use then you need to look back at the last time it was used. If it was last, used for one of the non-residential purposes set out above then it is not treated as residential property. If the building has never been used and is more suitable for one of the uses specified above than for any other purpose it is not treated as residential property regardless of their suitability for use as a dwelling.

Further information can be found on www.hmrc.gov.uk/rpsmmanual/RPSM07109060.htm