

Funding the Future

Article URL

Published: January 12, 2026, 6:43 pm

I have campaigned on domicile related issues ever since I began working on tax justice and have written newspaper articles and broadcast on the issue. I helped advise Ed Miliband on it in 2015. [There are 192 posts here on the issue](#). So I admit the news that the Chancellor's wife is a non-dom is not welcome to me. I have written this Twitter thread this morning which does, however, take the passion out of this and simply asks fair questions that need answers:

It's been reported that the Chancellor's wife, Akshata Murthy, is not tax domiciled in the UK. This has been confirmed by a statement issued on her behalf. But I think the statement of facts issued by her is wrong. And I also suggest HMRC could challenge this claim. A thread....

I need to report what a spokeswoman for Murthy has said, which was: "Akshata Murthy is a citizen of India, the country of her birth and parents' home. India does not allow its citizens to hold the citizenship of another country simultaneously. So, according to British law, Ms Murthy is treated as non-domiciled for UK tax purposes. She has always and will continue to pay UK taxes on all her UK income." I would have hoped that Ms Murthy could buy advice that was right, but this statement is wrong.

Domicile has nothing to do with a person's nationality. Nor does it have anything to do with not being able to have a British passport because a person holds citizenship from another country. And non-domiciled status is certainly never given for that reason.

The first thing to note about non-domiciled status is that it is given to no one if they do not apply for it. In that case the implication in Ms Murthy's statement that she has to be treated as non-domiciled is simply wrong: she is only non-domiciled because she asked to be so.

Second, she can also give up the claim to be non-domiciled at any time. Just because she was non-domiciled when she arrived in the UK as a newly married person does not mean she has to keep the status now. So the fact she's still non-dom is also a choice.

In other words, the claims made in the statement issued by Ms Murthy are wrong, and as evidence, just because a person has Indian citizenship will never automatically grant them non-dom status in the UK. It might help, but never be enough.

That's because non-dom status is about where a person's natural home is. Essentially, it is a test based on the evidence that they are only temporarily resident in the UK because they retain the intention to return to another place, which is their natural home.

There are many ways to prove where your natural home is. Family ties are a big issue. So too is retaining strong ties with the country you claim to be your place of domicile. For example, you own a house there and only rent in the UK because you intend to leave sometime soon.

Making no strong ties with the UK is another way of proving this is not your domicile. Choosing to educate your children in your natural home and not in the UK might be another. So too might holidaying their frequently be a good indication.

Having a source of income in the place that is your natural home helps, but only if you actively manage it.

What the Revenue here think – and legislation now backs this up – is that the longer you're in the UK the less likely it is that you are domiciled elsewhere. The evidence of your behaviour then suggests that your home is really here.

The law on this relates to what is called 'deemed domicile'. If as a matter of fact you have been tax resident in the UK for 15 of the last 20 years, you're deemed to be domiciled here whatever you say. It seems very unlikely that Ms Murthy is at this point, as yet.

But the Revenue can challenge anyone's non-dom status whenever they wish (if only they had the resources to do so, of course, which is another issue). I suggest that they could do this in the case of Ms Murthy.

She is reported to have four homes around the world, with her husband Rishi Sunak. Three are in the UK and one is in the USA, which is called a holiday home. I have heard no reports of a home in India, which does not help a domicile claim.

The fact that they choose to holiday in the USA and not India does not help either.

And being here for a long time, married to a man whose current career is only possible in the UK is not a good look for someone who claims to plan to leave sometime. As far as I know the children of this marriage are also educated here.

And we know that Ms Murthy is a donor to Winchester School, which shows a commitment to the UK and its establishment, which is often considered a sign of where

you think your home might be.

I am not saying that any of these facts are persuasive in themselves. There might be other facts to consider, of course. But could they be enough for HMRC to open an enquiry to ask why she continues to think herself domiciled in India? I think so.

The evidence that as the wife of a senior government minister who very clearly has ambition to further his career in UK politics she is likely to remain in the UK, quite probably forever, looks to be particularly compelling to me.

So, my question is a simple one, and is whether Ms Murthy is really non-domiciled at all now? I stress, I cannot answer the question. All I am saying is that there enough evidence to ask it.

And what I am also saying is that the claim to be non-domiciled is one she has made by choice that she can withdraw at any time (albeit at significant financial cost). In that case I think it her job to justify it, and the statement she's issued so far does not do that.

I will leave the ethics of this aside. The reaction in the media makes clear where most people stand on that issue. I am just addressing facts here. And I suggest the Chancellor has a duty in this case to get his wife to put the facts on the table or drop her claim that save tax.