bdhSterling*

MOVING TO AUSTRALIA?

Make sure your finances are ready for the journey.

Emigrating to Australia is an exciting adventure but it also comes with important financial decisions. At **bdhSterling**, we understand the complexities of international relocation and are here to help you plan with confidence.

As a **dual-licensed** financial planning firm, holding the prestigious **Chartered Status** in the UK, we have the expertise to guide you throughout your journey. With offices in both the UK and throughout Australia, we are uniquely positioned to provide financial advice that encompasses both jurisdictions.

BOOK YOUR FREE INITIAL CONSULTATION TODAY

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Email: enquiries@bdhsterling.com

Visit: www.bdhsterling.com

Trustpilot

YOUR FINANCIAL EMIGRATION CHECKLIST

Here are the top ten areas to consider before making the move:

1. CASHFLOW AND BUDGETING

- ✓ Plan for the **cost of living** in Australia, including housing, healthcare, and education
- ✓ Build a **relocation budget** covering shipping, flights, and initial setup costs
- ✓ Ensure you have **access to sufficient funds** during the transition period

2. BANKING

- ✓ Open **an Australian bank account in advance**: Most major banks (ANZ, NAB, Westpac, Commonwealth Bank) allow you to start the process online before arrival and offer tailored accounts for expats, provided you have the right documents
- ✓ **Prepare ID documents**: Australian banks use a points-based ID system. You'll need a combination of documents, such as your passport, visa and proof of address

3. CURRENCY RISK

- ✓ Consider **converting UK-held investments to AUD**
- ✓ Use **currency exchange services** or forward-contracts to lock in favourable rates and reduce volatility

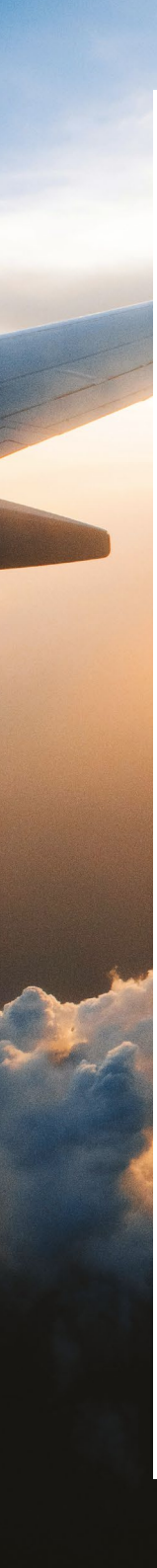
4. BECOMING AN AUSTRALIAN TAX RESIDENT

- ✓ You should lodge a **P85 form** when leaving the UK permanently to inform HMRC of your departure and ensure you're taxed correctly, including claiming any potential tax refund you may be owed
- ✓ Register with the **Australian Tax Office (ATO)** and obtain a **Tax File Number (TFN)**
- ✓ Understand **residency rules** - once you're a permanent resident, you must declare worldwide income, including UK pensions and rental income
- ✓ Use the **Double Taxation Agreement** to avoid being taxed twice
- ✓ Get your **assets valued** as at your **date of arrival in Australia** to establish their cost base for Australian tax purposes - which is essential for calculating capital gains or losses if you sell those assets in the future
- ✓ It may be worth seeking expert advice on **Capital Gains Tax** if you are selling UK property or transferring assets

5. PENSION PLANNING

- ✓ **UK State Pension**: Cannot be transferred but can be paid to you in Australia. However, it won't benefit from the UK's "triple lock" increases
- ✓ **UK National Insurance**: Consider topping up your National Insurance record before leaving to maximise your State Pension entitlement
- ✓ **UK Private/Workplace Pensions**: May be transferable to an Australian superannuation fund via a QROPS (Qualifying Recognised Overseas Pension Scheme). This can offer significant tax advantages, whereby you will have benefited from tax relief on your contributions but may pay no tax on the income you draw. Eligibility and timing are key
- ✓ It's therefore important to **obtain a valuation** of your UK pensions as soon as you arrive in Australia
- ✓ You must be at least **55 years old** to transfer a UK pension to Australia via a QROPS (rising to 57 from 2028)

- ✓ In Australia, pensions are known as **Superannuation** ('super' for short). This is a long-term savings system where your employer contributes money into a fund for retirement. You can also make personal contributions, and the money is invested until you retire
- ✓ **Australian Age Pension**: This is means-tested and can be difficult to qualify for



6. ISAS AND UK INVESTMENTS

- ✓ **ISAs lose their tax-efficient status** once you become an Australian resident
- ✓ You may have to **declare ISAs and GIAs** on your annual **Australian tax return**
- ✓ Consider options such as cashing in ISAs to transfer to an offshore bond or increase your UK pension contributions

7. DEALING WITH PROPERTY

- ✓ **UK Property**: Decide whether to sell or retain. Selling before or after the move has different tax implications. Rental income may be taxed in both countries unless offset by the tax treaty
- ✓ **Buying in Australia**: Non-residents and temporary visa holders face certain rules and restrictions. Australian expats may benefit from tax deductions on mortgage interest and rental losses

8. GETTING COVERED: MEDICARE AND LIFE INSURANCE

- ✓ Register for **Medicare** to access Australia's public healthcare system and receive subsidised medical treatment as soon as you're eligible
- ✓ Review existing **UK insurance policies** to ensure they remain valid and appropriate once you're living in Australia
- ✓ Consider **new policies** that align with your circumstances and local regulations

9. ESTATE PLANNING

- ✓ Review your **Will** and **Power of Attorney** in both countries
- ✓ Ensure you have an **Australian Will** is in place for Australian assets, especially if your beneficiaries are overseas

10. MINIMISING INHERITANCE TAX

- ✓ Australia does not have IHT, but UK assets may still be subject to it
- ✓ Your **worldwide estate** could be liable for UK IHT, if you have been a UK tax resident for 10 out of the last 20 years
- ✓ Professional advice may help mitigate your exposure

HOW BDHSTERLING CAN HELP

We've helped thousands of clients manage their finances when relocating down under, and we're here to support you every step of the way.

Our services include:

- Tailored financial planning advice centred on your journey
- Cross-border expertise covering both UK and Australian regulations
- In-depth knowledge of UK pension transfers and QROPS legislation
- Comprehensive wealth and retirement planning for individuals with assets in both countries
- Ongoing support from advisers based in both countries

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