

The U.K.'s Millionaire Expat Exodus

Taylor Swift wrote "So Long, London" after a breakup with a Brit, and the city's wealthy expatriates may be humming along as they pack their bags. Evidence continues to emerge that the Labour government's tax increases are driving valuable taxpayers out of the United Kingdom.

Chancellor of the Exchequer Rachel Reeves unveiled a budget last autumn that penalized wealthy foreigners for committing to a longterm relationship with the U.K. Gone were provisions that had shielded overseas earnings and estates from British inheritance, income and capital-gains taxes.

The old tax regime let wealthy foreigners pay an annual fee of £30,000 to £60,000 to shelter non-British assets and earnings. Now those who stay in the U.K. for five years will pay a top income-tax rate of 45% and a top capital-gains rate of 24%, including on earnings from abroad. The U.K. also imposes an inheritance tax of 40% beyond £325,000 on the global assets of those who have been U.K. residents for at least 10 of the past 20 tax years.

Henley & Partners advises clients on living abroad, and this week it projected that some 16,500 millionaires will flee the U.K. in 2025 alone. That "staggering" exodus amounts to "the largest net outflow" from any country since Henley and the global wealth intelligence firm New World Wealth began tracking millionaire migration a decade ago.

These wealthy residents were already paying an average of more than £500,000 each a year in British taxes—and that's without taking account of the impact of their spending and investment in the U.K., according to the accounting firm RSM. Ms. Reeves forgot the affluent have options about where to live.

The U.K.'s loss is a gain for Switzerland, Italy, Portugal and Greece, which Henley says have all seen inflows of millionaires "driven by favorable tax regimes, lifestyle appeal and active investment migration programs." Turns out living well elsewhere is as satisfying as writing a revenge ballad.

[Copyright \(c\)2025 Dow Jones & Company, Inc. All Rights Reserved. 6/28/2025](#)

[Powered by TECNAVIA](#)

The following is a digital replica of content from the print newspaper and is intended for the personal use of our members. For commercial reproduction or distribution of Dow Jones printed content, contact: Dow Jones Reprints & Licensing at (800) 843-0008 or visit djreprints.com.