

Moving to the USA for work

Your employer is sending you to the United States. This guide covers what to agree and arrange before you leave. It explains how your UK savings and pension are affected, what to do in your first weeks, and what you need to rent your first home.

35 qualifying years for a full State Pension

10 days the SSA suggests waiting before an SSN application

\$10,000 in combined foreign accounts triggers an FBAR

90 days is the longest health plan wait allowed

01 BEFORE YOU ACCEPT

Ten things to agree in writing

Your employer is making decisions about your move now. Each one decides what you keep, what you lose and what you can undo. Ask for the answers in your assignment letter or contract, not in conversation.

01 Assignment or permanent move

An assignment is temporary and assumes you return. A permanent transfer moves you into US terms. Get the type, the length and any date for moving to local terms.

BEFORE YOU ACCEPT

02 Who employs you

You stay on your UK contract, or move onto the payroll of a US company in your employer's group. Your visa category decides which entity can employ you.

CONFIRM WITH AN IMMIGRATION ATTORNEY

03 Which law applies

Do not assume UK protections follow you. Almost every US state allows at-will employment, so either side can end the job at any time. Ask which country's law governs your contract.

IN YOUR CONTRACT

04 Your service date

A new US contract can reset your start date. Notice, redundancy and dismissal rights all depend on it. Ask for your original date to be recognised.

IN WRITING

05 Pay and package

Check the currency, where you are paid from and how often. Many US employers pay fortnightly or weekly. Look for a clawback clause if you leave within a set period.

BEFORE YOU SIGN

06 Tax support

Ask whether your employer offers tax equalisation, which keeps your tax burden roughly where it would be at home. Ask whether they pay for a tax adviser.

ASK EARLY

07 Bonus and share options

Ask what happens to unvested options, bonuses and long-term incentives when you move. Ask whether the scheme rules change if your employer changes.

BEFORE YOU SIGN

08 Your return

Is there a role waiting, and at what level? Who pays for your family to come home? Does your service date resume? Silence usually means no right to return.

IN THE ASSIGNMENT LETTER

09 Your benefits

Ask which benefits you get: health, dental, vision, life and disability cover. Ask when cover starts, because a plan can wait up to 90 days. Ask how any gap is covered.

BEFORE YOU SIGN

10 Contribution levels

Ask what share of the health premium your employer pays, what 401(k) match applies and how it vests. Ask whether UK pension contributions continue.

IN YOUR OFFER LETTER

02 TAX ADVICE BEFORE YOU LEAVE

How your UK savings and investments are taxed will change

Once you are a US tax resident, the IRS taxes your income wherever it comes from. Speak to a cross-border tax adviser before you leave, not after your first US tax return.

WHAT CHANGES

Your tax residence moves

- The residency test.** One route to US tax residence is the substantial presence test. It counts 31 days this year and 183 days over three years, weighted.
- Worldwide income.** US residents report income from everywhere on Form 1040, the form US citizens use. That includes UK interest, dividends, rent and gains.
- Your UK exit.** Tell HMRC you are leaving, usually on form P85. HMRC's residence test guidance includes a section on temporary non-residence if you return.

TAKE TO YOUR ADVISER

Seven questions to ask

- My accounts.** How will my ISAs, UK pension, shares and funds be treated in the USA?
- My funds.** Do any UK funds fall under the passive foreign investment company rules? These carry separate reporting on Form 8621.
- My rewards.** What happens to share options and bonuses that vest after I move?
- My plan.** Should I sell, keep or restructure anything before I leave?
- My pensions.** Can I keep paying into my UK pension, and how will it and a 401(k) be taxed when I return?
- My state.** What will I owe in the state where I live?
- My employer.** Do they equalise my tax or pay for advice?

FORM	TRIGGER	DETAIL	SET BY
FBAR	\$10,000 at any time in the year	The combined value of all your foreign financial accounts. Due 15 April, with an automatic extension to 15 October. Filed electronically with FinCEN, not with your tax return.	FinCEN, IRS
Form 8938	\$50,000 at year end or \$75,000 at any time	The thresholds for unmarried taxpayers living in the USA, doubled for joint filers. It covers specified foreign financial assets and does not replace the FBAR.	IRS
Form 8621	Each PFIC you hold	A separate form is needed for each passive foreign investment company, held directly or indirectly. Ask whether any of your UK funds count.	IRS
Form 1040	Each year	US residents file the same return as citizens and report worldwide income.	IRS

03 PENSION AND SOCIAL SECURITY

Protect your UK pension record

You have two separate records in two systems. Gaps in either are hard to repair, and the cost often appears decades later.

Your State Pension

The full new State Pension is £241.30 a week and needs 35 qualifying years of National Insurance. Check your record before you leave so you know where any gaps are.

Voluntary National Insurance

From 6 April 2026 most people cannot pay Class 2 for time abroad. Class 3 needs 10 years of UK residence in a row or 10 years of contributions. Apply on form CF83.

Certificate of coverage

It can keep a temporary assignee in the UK system and exempt them from US Social Security and Medicare tax. The US work must be expected to last no more than five years.

IF YOU ARE ALREADY PAYING VOLUNTARY NI

A transition window applies

Existing voluntary Class 2 payers can apply for Class 3 without meeting the 10-year test if they apply before 6 April 2027. Ask HMRC where you stand.

YOUR WORKPLACE PENSION

Leave it where it is until you have advice

Transferring to an overseas scheme can trigger a 25% overseas transfer charge, according to GOV.UK. Give your provider your new address and keep your login details.

7.65%

US payroll tax without a certificate

Without a certificate of coverage you pay 6.2% Social Security and 1.45% Medicare, a combined 7.65%. Social Security stops at \$184,500 of earnings in 2026. Your employer applies for the certificate through HMRC, so ask early.

04 PENSIONS WHILE YOU ARE IN THE USA

Two pensions, two sets of rules

You may want to keep paying into your UK workplace pension, and you will probably be offered a 401(k). Both have limits that are worth understanding before you decide.

YOUR UK WORKPLACE PENSION

Can you keep paying in?

- It depends on your contract.** Automatic enrolment applies to workers who work or ordinarily work in the UK under their contract. Ask your employer in writing whether contributions continue.
- UK tax relief may shrink.** Full relief needs you to be a relevant UK individual. That means UK earnings, UK residence in the tax year, or UK residence in the previous five tax years and when you joined. Otherwise relief is generally limited to the £3,600 basic amount.
- The USA taxes you too.** The UK US tax treaty can make contributions to a UK scheme deductible or excludable in the USA while you work there. You must have paid in before you started work in the USA, and relief cannot exceed what the USA allows for its own schemes.
- The scheme must qualify.** The US authorities also need to agree that your UK scheme generally corresponds to a US one.

YOUR 401(K)

Can you get the money back out?

- It is not locked away.** Your own contributions are always 100% yours. Employer contributions follow the plan's vesting schedule.
- Early withdrawals cost more.** Withdrawals are taxed as ordinary income. Before age 59½ a 10% additional tax usually applies, with exceptions such as leaving your employer at 55 or later.
- Withholding after you return.** Once you are not a US resident, the plan must generally withhold 30% of a distribution. A lower treaty rate needs the right documentation.
- Your options when you leave.** You can often leave the money in the plan, roll it into an IRA or a new employer plan, or take it as cash. Employers can move small balances out.

TELL

People to inform

- HMRC.** If you do not file Self Assessment, use form P85 with parts 2 and 3 of your P45. HMRC then checks whether you are owed a refund.
- Your UK bank.** Keep a UK account open. Most HMRC refund cheques can only be paid into one.
- Your pension provider.** Give them your new address and check whether contributions continue.
- Benefit offices.** Contact any office that pays you a UK benefit before you leave.

COLLECT AND CARRY

Documents and supplies

- Proof of income.** Your signed offer letter and recent payslips. US landlords ask for pay stubs or an offer letter showing salary.
- Identity.** Your passport and immigration documents, as originals.
- Health records.** Medical and dental history and your vaccination record.
- Driving history.** A no-claims letter from your car insurer.
- Medication.** Enough to cover the weeks before a US doctor can see you.

05 BEFORE YOU LEAVE THE UK

Tell, collect and carry

A few UK tasks are easier before you go than from 3,000 miles away. US landlords and employers will also ask for paperwork you cannot easily fetch later.

WHAT	WHEN	DETAIL	SET BY
Form I-9, Section 1	By your first day of paid work	You confirm your identity and right to work. Bring original documents, usually your passport and US immigration papers. Your employer completes Section 2 within three business days.	USCIS
Form W-4	Before your first payroll	You complete it so your employer can withhold the correct federal income tax from your pay. Most states with an income tax have their own form.	IRS
Social Security number	About 10 days after arrival	The SSA suggests waiting 10 days so your immigration records can be verified. You apply in person with your passport and US immigration documents.	SSA
Benefits enrolment	Within your enrolment window	Ask your employer for the deadline. Missing it can mean waiting for the next annual enrolment. Choose health, dental, vision and retirement options together.	Your employer
US bank account	First week, if the bank accepts your passport	US rules let banks accept a passport number from a non-US person, so an SSN is not legally required. Each bank sets its own policy, so ask what it needs. If it insists on an SSN, open the account after day 10.	The bank
Driving licence	Check your state's rules	Driving rules are set by each state. California requires holders of non-US licences to pass both a knowledge test and a driving test.	State DMV

06 HEALTHCARE

Cover usually comes through your employer

Your employer picks a plan and you pay part of the cost. Compare more than the premium, because deductibles and co-pays decide what you actually pay when you use care.

\$9,325

Single cover, 2025

Average annual premium for employer cover. Family cover averaged \$26,993.

\$1,440

Your share, single

The average worker contribution for single cover. For family cover it was \$6,850.

\$1,886

Average deductible

What you pay before the plan shares costs. 34% of covered workers had a deductible of \$2,000 or more.

90

Days maximum wait

A group health plan cannot impose a waiting period longer than 90 days. Ask when yours starts.

Ask about any gap in cover

If your plan starts after you land, ask your employer about interim cover. Also ask about co-pays and out-of-pocket maximums, not just premiums.

07 YOUR FIRST TWO WEEKS

The paperwork comes in a set order

Each document unlocks the next. Your Social Security number matters most, because payroll, credit and many landlords ask for it. Banks set their own rules, so see the bank row.

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08 RENTING YOUR FIRST HOME

What landlords ask for, and what it costs

US landlords expect ID, proof of income and a credit check. Arriving without a US credit file is normal for newcomers, so prepare the parts you can control.

THE APPLICATION

What you will be asked for

- Government ID.** A passport is government-issued ID. Ask the landlord what else they accept.
- Employment and income.** Recent pay stubs or an offer letter showing your salary.
- A credit check.** Applicants with lower credits may be refused or approved with extra conditions.
- A background check.** In most cases the landlord runs a criminal background check.
- An application fee.** Roughly \$35 to \$75 or more, charged per property.

NO US CREDIT HISTORY

How to make your case

- Expect no file.** Your UK credit history does not automatically transfer to the USA.
- Offer alternatives.** Ask whether the landlord will accept a guarantor who co-signs, or a larger security deposit.
- Show your income.** Lead with your signed offer letter and employer details.
- Consider short-term housing.** A furnished first month gives you time to get an SSN and a bank account before you commit to a lease.

COST	WHEN	DETAIL	SET BY
Security deposit	At signing	Commonly one to two months' rent. Some landlords charge a few hundred dollars. Amounts may be limited by state or local law.	Landlord, state
First month's rent	At signing	Some states allow landlords to collect the first and last month's rent together.	Landlord, state
Move-in fees	At signing	These can cover elevator or loading dock reservations and changing the locks. Ask which one-time fees are refundable.	Landlord
Utilities	From day one	Electricity, gas, trash, water and internet. Some providers charge a hookup fee to connect you.	Providers
Parking and pets	If they apply	Parking can be a significant expense in some areas. Pets can mean an upfront fee and monthly pet rent.	Landlord

09 BEFORE YOU SIGN THE LEASE

Four checks that protect your deposit

01 Read the payment terms

Check how much you pay, when it is due, how to pay, any grace period and late charges. Ask whether the rent rises at renewal.

02 Check how you can leave

Break-lease terms often require a payment of one to two months' rent and 30 to 60 days' notice. Subletting can be an alternative.

03 Document the condition

Walk through the home with the landlord at move-in and photograph existing damage. Report repair needs in writing and ask for an itemised list of possible deductions.

04 Insure your belongings

Renters insurance covers your possessions, liability and extra living costs after covered damage. Your landlord's policy does not replace your things. Some properties require it.

The Fair Housing Act makes it illegal to discriminate in renting on grounds of race, colour, national origin, religion, sex, familial status or disability.

10 CREDIT, DRIVING AND RETIREMENT SAVINGS

Build your US financial identity

You start without a US credit history. Pay on time, choose products that report to the credit bureaus, and use your employer's retirement plan.

Build credit

A secured card needs a deposit, often \$50 to \$300, and sets your credit line. Ask the issuer whether it reports to the credit bureaus. Without reporting, it will not build your score.

Credit builder loans

Credit unions typically place a small loan of \$300 to \$1,000 in a locked account. You repay over 6 to 24 months, and the payments are reported to the bureaus.

Your 401(k)

A 401(k) replaces your UK workplace pension. For 2026 you can contribute up to \$24,500, plus \$8,000 from age 50 and \$11,250 at ages 60 to 63. Section 04 covers getting the money out.

Check the vesting schedule on any employer match

Your own contributions are always 100% yours. Employer contributions can vest over time, under a cliff or graded schedule. On a short assignment you may leave before the match becomes yours.

11 YOUR TIMELINE

What to do, and when

3 to 6 months before

Confirm your right to work with an immigration attorney. Agree the ten points in writing. Book a cross-border tax adviser.

1 to 3 months before

Check your National Insurance record. Ask about the certificate of coverage. Ask whether UK pension contributions continue. Review bonus and share options.

Final month

Tell HMRC. Collect records and proof of income. Arrange health cover for any gap. Plan short-term housing.

After you land

Form I-9 and W-4 in week one. SSN at about day 10. Enrol in benefits. Then rent, build credit and get a state licence.

12 WHAT GOES WRONG

Four mistakes worth avoiding

01 Seeing a tax adviser after you arrive

By then your tax residence and your UK accounts are already affected. Book advice before you leave, so nothing is decided by default.

02 Missing the voluntary NI window

The rules tightened on 6 April 2026. Check your record and your options while you still qualify.

03 Arriving without proof of income

With no US credit file, your offer letter and payslips carry the application. Pack them in your hand luggage.

04 Assuming your UK contract travels

US terms are usually at will. Get your service date, return rights and governing law in writing before you go.