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Global families, global consequences: How emigration reshapes wealth, tax and succession planning

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FinGlobal by momentum

NAVIGATING THE RED TAPE

Facilitating secure and cost-effective fund transfers from South Africa while ensuring compliance with tax regulations and exchange control, providing peace of mind for clients.

TAX

- Emigration
- Returns
- Clearances
- Refunds

ADVISORY

- Fund withdrawals
- Death claims
- Inheritances
- Trust distributions

BANKING & FOREX

- South African non-resident bank accounts
- Money transfers from South Africa

Tax residency tests

Three tests to determine if a person is a South African tax resident

- Ordinarily resident test
- Physical presence test
- Double taxation agreement

A person can only cease tax residency in the same way that it was gained

Planning to emigrate from South Africa

Cessation date

Tax emigration and capital gains tax

Transfer funds offshore

Tax compliance
(SA sourced income)

It is important for Suzie to consider tax emigration to protect her foreign earnings and allow her to remit her inheritance abroad

South African living abroad

South African tax resident

Tax emigration

SA non-res bank account

Transfer funds offshore

In John's case, the biggest risk is doing nothing.

John can backdate his tax emigration to the date he originally left South Africa.

Key questions

Has the client left SA, or is he/she planning to leave permanently?

Has the client officially ceased, or does he/she intend to cease, SA tax residency?

Is the client's tax residency status aligned with his/her current circumstances?

What assets does the client own, and could tax residency cessation result in an exit tax liability?

Does the client have sufficient liquidity if any tax becomes payable in South Africa?

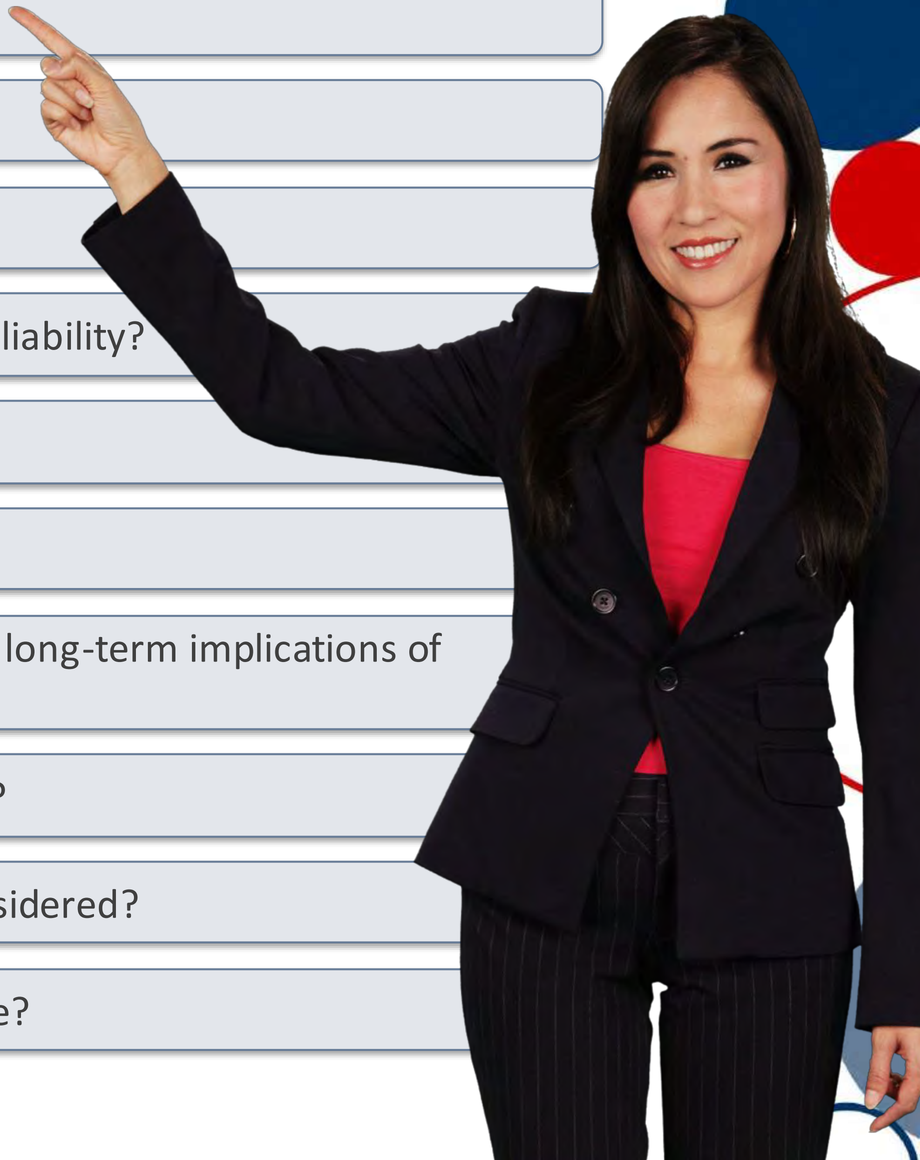
Are all SARS tax returns and compliance matters up to date?

What are the client's plans for their retirement funds, and does he/she understand the long-term implications of the available options?

Will the client retain any SA assets, such as property, investments or business interests?

If property will be retained, have the ongoing tax and compliance obligations been considered?

Does the client expect to receive an inheritance or transfer capital from SA in the future?



Change in circumstances requires financial plan review

Revise entire financial plan and succession strategy

Revisit will/s

Product choice and beneficiaries

Trusts and non-resident beneficiaries

Global families require a globalised financial plan

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Thank you