The Taxed Generation

Wealth Report Issue #3

Multipolitan

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01 Executive Summary

Governments, facing growing fiscal gaps and future liabilities, are rewriting the rules. The target isn't just income anymore. It's assets.

Not long ago, the roadmap to wealth was simple: earn, invest, grow. But somewhere along the way, amid rising debt, shifting policies, and a quiet tax revolution, that map began to blur.

This marks a turning point.
Wealth is no longer just built - it must be defended. Not with outdated tactics, but with sharper tools, deeper insight, and the foresight to act before the rules change.

That's where Multipolitan's Wealth Report 2025 - The Taxed Generation comes in.

It's not just a list of low-tax locales. It's a forward-looking guide to the cities best positioned for long-term wealth preservation. Places with strong governance, digital infrastructure, climate resilience, and legal systems that respect capital. Because smart capital isn't just moving where it's treated best. It's moving where it's built to last.

Executive Summary

Higher taxation of wealth is emerging as a central policy theme across many economies. However, by understanding global trends and implementing adaptive strategies, wealthy families and their advisors can continue to prosper while contributing to societal needs.

The following report provides an exploration of these dynamics, supported by data and expert insights into navigating a fiscally challenged future.

We've used Multipolitan's unique research to construct two primary indices:

01

The Tax Friendly Cities Index 2025 examines tax environments across global cities.

02

The Wealth Preservation Cities Index 2015-2025 assesses cities not just by current tax rates, but by their ability to support long-term wealth.

03

The Smart & Sustainable Cities Index (SSCI) 2025 ranks 25 cities expected to offer the strongest conditions for future wealth preservation, focusing on digital readiness, climate resilience, and political stability.

This research is followed by ten incisive commentaries from some of the most respected minds in global tax and wealth structuring. Contributors include veteran tax strategists who've held senior roles at Ernst & Young, Deloitte, and BDO; top-tier lawyers from internationally recognized firms; and trusted advisors from leading cross-border structuring and fiduciary consultancies. Collectively, they bring clarity to complexity - offering global context, hard-earned insights, and practical strategies for preserving wealth in a world where capital is increasingly under the microscope.

Key findings

As the world recalibrates in response to rising debt, political shifts, and climate risks, global cities are no longer just places to live or invest. They are strategic anchors for preserving and future-proofing wealth. This report maps where capital is safest today and where it is most likely to endure tomorrow.

Tax Friendly Cities Index 2025

We asked: Where does wealth face the fewest frictions? To answer this, we cut through rhetoric and focused on real-world outcomes, analyzing which global cities offer the most favourable tax environments for high-net-worth individuals, balancing low effective rates, the broader tax environment, and regulatory stability.

#1 — ABU DHABI

Ranks first, combining tax efficiency with robust legal structures and holding a slight edge over Dubai with a lower property tax rate of just 3% compared to Dubai's 5%.

#2 — DUBAI

Comes in second for offering an unbeatable mix of low taxes, strong governance, and global accessibility through its extensive treaty network.

#3 — SINGAPORE

Comes in third. It may not have a low headline tax like the UAE, but it exhibits fiscal intelligence with world-class governance that is hard to match.

Assessment based on Statutory tax rates, double tax treaty access (DTATs), and governance quality. These rankings reflect more than low tax rates. They measure fiscal intelligence through effective tax structures, treaty access, and governance confidence.

Wealth Preservation Cities Index 2015-2025

We asked: Where has wealth actually been safe through a turbulent decade? To answer this, we looked beyond the hype and focused on hard data, analyzing which global cities have truly preserved and grown wealth despite economic and geopolitical shocks.

#1 — ZUG

Currency stability and consistent governance make it a long-standing wealth hub.

#2 — HONG KONG

Despite recent political challenges, its capital markets and financial infrastructure remain resilient.

#3 — BASEL

A conservative Swiss stronghold with trusted institutions and macroeconomic stability.

#4 — SINGAPORE

The only Asian city to consistently rank across all indices, thanks to its regulatory clarity and economic strength.

Assessment based on GDP per capita, exchange rate volatility, inflation, effective tax rates, and governance quality, applied at the country level, with a city-level analysis accounting for property values, salary, and financing opportunities, and city-level quality of life. These cities didn't just survive the shocks of the past decade. They preserved real purchasing power and delivered long-term stability when it counted.

The Smart & Sustainable Cities Index (SSCI) 2025

The next safe haven may not be a vault or a fund. It might be a city. As climate risk, technological change, and political uncertainty reshape the world, these cities offer a blueprint for long-term resilience.

#1 — WELLINGTON

Well-governed, politically stable city built to withstand the climate challenges of tomorrow.

#2 — COPENHAGEN

Technologically advanced, environmentally prepared, and institutionally stable.

#3 — SINGAPORE

The only global financial center in the top five, showing that economic development and sustainability can coexist.

Assessment based on Climate Resilience (50%), Digital Readiness (25%), Political Stability (25%). Together, these factors define the cities best positioned to protect wealth in an unpredictable future. The next decade will reward those who think beyond tax rates and invest in cities built for continuity, clarity, and climate resilience.

02

Tax Friendly Cities Index 2025

An index evaluating cities with the most conducive tax environment globally backed by stable governance.

Introduction

The Tax Friendly Cities Index 2025 identifies cities that foster favourable tax environments through a multi-metric analysis. The index includes major metropolitan areas within the top 20 tax-friendly countries, ranked based on national-level assessments across 164 jurisdictions. These jurisdictions were selected based on data availability [1], with high-risk locations excluded due to political or security concerns.

RANK	LARGEST CITY	TAXATION, TREATIES & GOVERNANCE SCORE (AVE)
RANK 1	Abu Dhabi	637,1
RANK 2	Dubai	635,1
RANK 3	Singapore	624,2
RANK 4	Manama	611,9
RANK 5	Doha	611,9
RANK 6	Zurich	598,3
RANK 7	Hong Kong	592,6
RANK 8	Kuwait City	590,5
RANK 9	George Town	589,2
RANK 10	Hamilton, Bermuda	585,8
RANK 11	Macau	583,4
RANK 12	Riyadh	582,9
RANK 13	Stockholm	579,9
RANK 14	Bucharest	578,0
RANK 15	Port Louis	577,1
RANK 16	St. John’s	576,2
RANK 17	Muscat	575,9
RANK 18	Prague	572,6
RANK 19	Sofia	571,1
RANK 20	Tallinn	568,2

Scores are rounded to one decimal place. Manama ranks higher than Doha based on the unrounded figures.

Key findings

#1 – ABU DHABI

Ranks first, combining tax efficiency with robust legal structures and holding a slight edge over Dubai with a lower property tax rate of just 3% compared to Dubai's 5%.

#2 – DUBAI

Comes in second for offering an unbeatable mix of low taxes, strong governance, and global accessibility through its extensive treaty network.

#3 – SINGAPORE

Comes in third. It may not have a low headline tax like the UAE, but it exhibits fiscal intelligence with world-class governance that is hard to match.

METHODOLOGY

This index evaluates tax friendliness across 164 countries using a composite of three core metrics:

Metric 01

TAX RATE ENVIRONMENT

This metric captures the maximum potential tax exposure in each jurisdiction by analysing the top statutory rates in five tax categories most relevant to HNWIs:

- Personal Income Tax
- Corporate Income Tax
- Inheritance Tax
- Wealth Tax
- Capital Gains Tax

The highest applicable rate in each category was used to reflect potential tax exposure. These were expressed as percentages and summed to create a Total Tax Rate Score (out of 500), with lower totals indicating higher tax burdens.

To align with the index logic (where higher scores reflect greater tax friendliness), the score was inverted using the formula: $x = 500 - y$, where y is the total tax rate. This transformed the score into a positive indicator of tax attractiveness, ranging from 0 (unfriendly) to 500 (very friendly).

Metric 02

INTERNATIONAL TAX ACCESSIBILITY

This metric measures how well a country integrates into the global tax system, using the number of Double Taxation Avoidance Treaties (DTATs) it has ratified. These treaties minimise the risk of double taxation on income across borders and improve legal certainty for investors [2].

A higher number of treaties signals better international tax accessibility and planning potential.

The Tax Rate Score (χ) from Metric 1 was then combined with the DTAT tally to produce a broader Tax Environment Score, capturing both domestic tax efficiency and global tax coordination.

Metric 03

GOVERNANCE QUALITY

Strong governance is essential for fair and predictable tax systems. This metric draws on the World Bank Governance Indicators, specifically, Regulatory Quality, reflecting government ability to implement sound policies, was chosen for its relevance to effective tax system design [3].

Since WGI scores range from −2.5 to +2.5, they were rescaled to a 0–250 scale for compatibility with the tax metrics. The transformation followed two simple steps:

Shift the range to start from zero by adding 2.5 to each score:

(Original score + 2.5)

Convert to a 0–250 scale by multiplying the result by 50:

(Adjusted score) × 50

This ensured comparability with the tax metrics while emphasizing governance factors that shape long-term institutional reliability.

Final Index and City Selection

A composite score was calculated for each country by combining:

Tax Environment Score (Metric 1 + Metric 2)

Tax and Governance Score (Metric 1 + Metric 2 + Metric 3)

The top 20 scoring countries were selected, and their largest financial or administrative cities were evaluated accordingly to represent the jurisdiction.

Observations

1. When factoring in double taxation avoidance as an indicator of tax system accessibility, Abu Dhabi, Dubai, Doha, and Kuwait City emerge as top performers, benefiting from the highest number of treaties and climbing at least five places in the rankings.

2. Based on tax rates alone, The Valley (Anguilla), St. John's (Antigua and Barbuda), Manama (Bahrain), Hamilton (Bermuda), George Town (Cayman Islands), and Port Vila (Vanuatu) rank as the most tax-friendly jurisdictions, with Dubai and Abu Dhabi (United Arab Emirates) following in second place.

3. Dubai, Doha, and Abu Dhabi perform strongly across all three metrics, with Abu Dhabi and Dubai retaining the top position when combining tax environment and governance considerations.

4. Singapore jumps from 16th to 6th place when considering the broader tax environment and claims the third spot when governance is factored in. Zurich follows a similar trajectory, rising from 33rd to 8th to 6th, driving home the importance of regulatory quality in the design and implementation of effective tax systems.

5. George Town (Cayman Islands) drops from a shared top ranking in tax rates to 9th place when governance is included.

Reflections on Tax Friendly Cities Index 2025

Gabrielle Reid - Head of Insights, Multipolitan

In a world where wealth mobility has become increasingly fluid, taxation remains one of the most powerful levers influencing where high-net-worth individuals (HNWIs) and ultra-high-net-worth individuals (UHNWIs) choose to live, invest, and preserve their wealth. Recognising this complex and rapidly evolving landscape, Multipolitan has developed the Tax Friendly Cities Index 2025, a data-driven tool that identifies global metropolitan centres fostering favourable tax environments. This index serves as a valuable resource for families, advisors, and institutions navigating the complexities of wealth preservation.

Why a Tax Friendly Cities Index matters

Global tax regimes are subject to change. From proposed remittance taxes in the United States to emerging cross-border taxation policies in India and beyond, the global tax conversation is growing more nuanced. At the same time, the number of millionaires relocating internationally continues to rise, with wealth mobility becoming increasingly varied. For wealth holders, tax considerations can directly influence decisions on residency, asset allocation, and long-term wealth structuring.

Wealth taxes, inheritance levies, and capital gains taxes vary widely between jurisdictions, creating a complex matrix of opportunities and risks. While net wealth taxation remains relatively rare across OECD countries, for example, inheritance and gift taxes are more prevalent, albeit contributing modestly to overall tax revenues.

Nonetheless, the mobility responses triggered by wealth taxation can significantly impact broader income tax bases, with some studies indicating that losses in personal income tax revenues can far outweigh the direct losses from wealth tax impositions.

In this environment, developing a sophisticated, holistic view of global tax regimes that balances statutory tax rates with governance quality, tax treaty protections, and political stability proves invaluable. Multipolitan's Tax Friendly Cities Index 2025 provides precisely this.

A multi-metric approach to tax friendliness

At the core of the Tax Friendly Cities Index 2025 lies a rigorous, multi-layered methodology that evaluates tax environments at both national and metropolitan levels. The index encompasses major cities within the top 20 tax-friendly countries, which were selected from an initial pool of 164 jurisdictions. High-risk locations, such as those experiencing political instability or ongoing conflict, were excluded to maintain the relevance and applicability of the index for wealth preservation purposes.

The assessment is anchored on three primary metrics. The first metric scrutinises statutory tax rates across five key categories directly affecting HNWIs, namely Personal Income Tax; Corporate Income Tax; Inheritance Tax; Wealth Tax and, of increasing relevance, Capital Gains Tax. By focusing on the highest applicable rates within each category, Multipolitan captures the maximum potential tax exposure an individual might face. The second metric recognises that statutory rates alone do not tell the full story. The presence of Double Taxation Avoidance Treaties (DTATs) significantly enhances a jurisdiction's attractiveness by providing legal mechanisms that prevent double taxation on cross-border income. By tallying the number of DTATs each country has ratified, Multipolitan incorporates a practical measure of international tax protection and planning flexibility.

However, a favourable tax regime without effective governance can present unexpected risks to wealth preservation. Accounting for good governance ensures that the index reflects not just the legal tax burden but also the predictability, fairness, and stability of tax enforcement, which remains a crucial consideration for long-term wealth preservation planning.

Not all cities are equal

By anchoring the analysis at the city level, the index captures the practical realities faced by globally mobile families. Metropolitan centres often serve as the real touchpoints for residency, business operations, and lifestyle decisions. This city-specific focus differentiates Multipolitan's index from many country-only tax comparisons, offering actionable insights for families evaluating relocation or expansion opportunities.

A timely tool for a shifting landscape

The Tax Friendly Cities Index 2025 arrives at a moment when tax policy, regulatory enforcement, and global wealth mobility are converging into a more tightly controlled ecosystem. For wealth preservation, this environment demands a sophisticated understanding of multiple overlapping risks. Residency definitions, treaty benefits, regulatory compliance, and reputational considerations all interlace to shape the actual outcomes of wealth preservation strategies. Optionality in lifestyle, citizenship, education, and asset location has become the cornerstone of modern wealth planning. The Multipolitan index supports this need by offering a comprehensive, comparable view of jurisdictions that balance tax competitiveness with governance integrity.

The Tax Friendly Cities Index 2025 serves as both a technical resource and a strategic conversation starter. It empowers stakeholders to make informed, forward-looking decisions amidst an increasingly complex global tax landscape. By integrating quantitative rigor with practical relevance, Multipolitan reaffirms its commitment to delivering actionable insights that help clients preserve and grow their wealth across generations.

Sources

[1] Data was sourced from PricewaterhouseCoopers' Worldwide Tax Summaries as well as each individual country's revenue authority.

[2] ICTD (2021). Tax Treaties Explorer [Online database], Brighton: International Centre for Tax and Development (ICTD), retrieved from https://www.treaties.tax. Please note that determining the exact number of double tax treaties (DTTs) for each country can be challenging due to the dynamic nature of international agreements. The numbers provided in the study are deemed to be a sufficient estimate for a comparative analysis such as this one.

[3] Worldwide Governance Indicators, 2024 Update, World Bank (www.govindicators.org), Accessed on 10/30/2024.

03

Wealth Preservation Cities Index 2015-2025

An index evaluating cities most resilient in preserving wealth through the last decade of global disruption.

Introduction

The Wealth Preservation Cities Index 2015-2025 retrospectively ranks the top 25 global cities that best preserved individual wealth over the decade from 2015 to 2025. It evaluates economic and financial resilience using a two-stage process: national-level filtering and city-level scoring. The goal is to provide a robust and comparative framework for evaluating how well cities have maintained wealth in real terms, accounting for inflation, asset values, earnings, and governance environments.

RANK	CITY	SCORE
RANK 1	Zug	0,7487
RANK 2	Hong Kong	0,6729
RANK 3	Basel	0,6524
RANK 4	San Francisco	0,6091
RANK 5	Singapore	0,5892
RANK 6	Tel Aviv	0,5603
RANK 7	Seattle	0,5402
RANK 8	Sydney	0,5028
RANK 9	Luxembourg City	0,4988
RANK 10	Amsterdam	0,4839
RANK 11	Reykjavík	0,4343
RANK 12	Copenhagen	0,4283
RANK 13	Vaduz	0,4267
RANK 14	Frankfurt	0,4146
RANK 15	Stockholm	0,4128
RANK 16	Munich	0,4102
RANK 17	Victoria, Seychelles	0,4036
RANK 18	Macau	0,3871
RANK 19	Wellington	0,3845
RANK 20	Vancouver	0,3807
RANK 21	Melbourne	0,3780
RANK 22	Abu Dhabi	0,3733
RANK 23	Vilnius	0,3720
RANK 24	Dubai	0,3715
RANK 25	Dublin	0,3657

Key findings

#1 — ZUG

Tops the list thanks to its exceptional quality of life, stable governance, and Switzerland's long-standing reputation as a haven for wealth.

#2 — HONG KONG

Ranks second, combining strong national fundamentals with resilient property values and a notable 21% improvement in quality of life over the decade.

#3 — BASEL

Secures third place by offering a well-balanced mix of asset security, quality living standards, and Switzerland's robust wealth protection framework.

METHODOLOGY

The index was constructed through a two-stage process combining national macroeconomic screening with city-level performance scoring.

Stage 01

COUNTRY-LEVEL SCREENING

A total of 196 countries were assessed using five equally weighted indicators:

- GDP per capita
- Exchange rate volatility
- Inflation rate
- Effective tax rate
- Governance quality

Following an inflation-adjusted review over the ten-year period, each indicator was normalised using min-max scaling, and only countries with a composite score of 0.80 or above were selected. This threshold ensured the inclusion of only macro-economically stable jurisdictions.

Stage 02

CITY-LEVEL SCORING

Cities within the selected countries, primarily major urban hubs by GDP, were evaluated based on three wealth-relevant indicators:

- Property values: 2025 price per m² and inflation-adjusted growth since 2015
- Average salaries: 2025 salary levels and real growth since 2015
- Quality of Life: Proxy for long-term liveability and stability

Inflation-adjusted 2015 data were compared to 2025 figures and normalised for comparability. A weighted scoring system placed greater emphasis (35%) on absolute 2025 values of salaries and property, with 10% weights on changes and quality-of-life shifts.

Final Index Construction

Cities were ranked by their composite scores, with the top 25 forming the Wealth Preservation Cities Index 2015-2025. Higher scores indicate stronger long-term performance in preserving wealth in real terms.

Observations

Yerevan, Vilnius, Bratislava, and Reykjavik saw the highest inflation-adjusted property price gains, though values remain well below those in wealthier cities.

Hong Kong, Zug, and Vilnius posted strong Quality of Life gains, while Kuwait City and Sofia saw sharp declines of 17% and 12%, respectively.

Japan and China fell below the 0.80 threshold due to high taxes and economic volatility, despite hosting wealthy global cities, individual wealth preservation remains limited.

04

The Smart & Sustainable Cities Index (SSCI) 2025

An index evaluating cities based on their long-term capacity to preserve investor wealth in the future.

Introduction

As the world recalibrates in response to rising debt, political shifts, and climate risks, global cities are no longer just places to live or invest. They are strategic anchors for preserving and future-proofing wealth. This report maps where capital is safest today and where it is most likely to endure tomorrow.

RANK	CITY	SCORE
RANK 1	Wellington	0,8774
RANK 2	Copenhagen	0,8663
RANK 3	Singapore	0,8628
RANK 4	Vaduz	0,8134
RANK 5	Basel	0,8115
RANK 6	Zug	0,8108
RANK 7	Stockholm	0,7976
RANK 8	Sydney	0,7007
RANK 9	Reykjavík	0,7006
RANK 10	Melbourne	0,6851
RANK 11	Vancouver	0,6667
RANK 12	Dublin	0,6595
RANK 13	Luxembourg City	0,6355
RANK 14	Munich	0,6264
RANK 15	Amsterdam	0,6139
RANK 16	Seattle	0,6084
RANK 17	Vilnius	0,5814
RANK 18	San Francisco	0,5553
RANK 19	Frankfurt	0,5405
RANK 20	Hong Kong	0,4208
RANK 21	Victoria, Seychelles	0,4141
RANK 22	Macau	0,4053
RANK 23	Abu Dhabi	0,2911
RANK 24	Tel Aviv	0,2508
RANK 25	Dubai	0,2435

Key findings

#1 – WELLINGTON

Ranks first for its exceptional climate resilience and trusted governance, even though its digital infrastructure still has room to improve.

#2 – COPENHAGEN

Takes second place by combining high livability with strong sustainability efforts and urban planning.

#3 – SINGAPORE

Leads among global financial centers, scoring high in digital infrastructure, regulatory stability, and climate adaptation, despite some environmental exposure.

METHODOLOGY

The index evaluates a city's long-term potential for wealth preservation using three weighted metrics: Digital Readiness (25%), Climate Resilience (50%), and Political Stability (25%). Each metric reflects a critical pillar of future-proof urban environments and is constructed using standardized, min-max normalized data to enable cross-city comparisons.

Metric 01

DIGITAL READINESS

This metric captures a city's ability to deploy and integrate digital infrastructure to enhance resilience and quality of life. It uses the IMD Smart City Index, which reflects residents' perceptions of digital services and infrastructure [1].

Raw IMD Smart City scores were rescaled using min-max normalization across the sample of 25 cities to standardize the values on a 0–1 scale:

Normalised Value = $(\chi-\chi_{min})/(\chi_{max}-\chi_{min})$.

Metric 02

CLIMATE RESILIENCE

Climate resilience measures both a city's exposure to environmental risk and its adaptive capacity. It combines:

City-level data (65%) from the Oxford Economics Global Cities Index 2025, incorporating PM2.5 levels, CO_2 intensity, natural disaster severity, and climate anomalies [2].

Country-level data (35%) from the ND-GAIN Index, capturing national readiness for climate adaptation [3].

Metric 03

POLITICAL STABILITY

This metric evaluates the predictability and reliability of governance, crucial for long-term economic planning. It combines:

City-level governance score (65%) from the Oxford Economics Global Cities Index, covering institutional quality, business environment, and civil liberties [2].

Country-level political stability score (35%) from the World Bank Governance Indicators (WBGI) [4].

In the end, each city gets one overall score that reflects how well it can protect wealth in the future, where cities with higher scores are more resilient, stable, and ready for long-term success.

Final Index and City Selection

OBSERVATIONS

01

Sydney (8th), Melbourne (10th), and Vancouver (11th) illustrate the benefits of living in well-governed federations with strong livability and resilience metrics.

02

Seattle (16th) and San Francisco (18th), despite technological strength, rank lower due to climate risks, particularly wildfires and rising temperatures.

03

Tel Aviv's low ranking (24th) is primarily driven by high geopolitical volatility and environmental stress.

04

Dubai (25th) and Abu Dhabi (23rd) rank low due to poor climate resilience, underscoring how climate risks are reshaping long-term city appeal, even as both cities plan to improve in the coming years.

05

Hong Kong (20th), Macau (22nd), and Dubai (25th) show that strong digital infrastructure can't outweigh the impact of climate vulnerability or political instability.

When Control Isn't Enough: Understanding External Risks to Wealth Gabrielle Reid - Head of Insights at Multipolitan

In today's volatile global landscape, individual wealth is increasingly exposed to forces outside personal control. From emerging geopolitical shifts disrupting capital flows, domestic political changes reshaping tax regimes, or macroeconomic headwinds eroding purchasing power, external pressures can undermine the real value of personal assets. For individuals focused on safeguarding their wealth, the local environment plays a critical role. In this context, where you live can matter as much as how you invest when it comes to wealth preservation.

This insight underpins Multipolitan's development of the Wealth Preservation Cities Index 2015-2025, which ranks the top 25 global cities that best preserved individual wealth over the past decade. The index uses a two-stage methodology that first assesses national-level economic and fiscal fundamentals before drilling into city-specific metrics like property values, earning potential, and quality of life measures. The goal is to provide a comparative framework for evaluating how cities offer protections to personal wealth in real terms.

Know Your Country

The Wealth Preservation Cities Index 2015-2025 and the forward-looking SSCI offer a structured way to understand how cities affect personal financial outcomes. Key macroeconomic indicators such as GDP per capita, exchange rate volatility, and inflation directly influence purchasing power. These indicators are shaped by domestic policy as well as global shocks. Geopolitical tensions, commodity price swings, and supply chain disruptions can affect GDP growth and currency stability. Inflation, in particular, is vulnerable to external forces such as energy price spikes and currency depreciation.

At the same time, a country's tax posture can present a direct burden to individual wealth. High income taxes, capital gains levies, and inheritance taxes can reduce disposable income, erode asset values, and complicate intergenerational wealth transfers. Complex or shifting regulations add further burdens. For mobile individuals and families with diverse portfolios, a country's tax posture is as crucial to wealth management, planning investment returns, or inflation protection.

To capture these dynamics, Multipolitan's Wealth Preservation Cities Index 2015-2025 assessed macroeconomic dynamics and tax volatility across 196 countries between 2015 and 2025, eliminating jurisdictions with inherent political or macroeconomic volatility or systemic tax drag. Notably, Japan and China were excluded from the subsequent city-level analysis on our assessment due to high taxes and macroeconomic volatility, despite hosting wealthy cities like Tokyo and Shanghai. While these cities are global financial hubs, our findings show that strong institutional wealth does not automatically equate to strong conditions for preserving individual wealth.

A Tale of Two Cities

Although country-level dynamics have a direct impact on individual wealth preservation, city-level differences can have equally important impacts, with two cities within the same country offering divergent prospects for wealth preservation. In our study, we selected the largest cities by GDP per capita within our qualifying countries, including up to three cities for larger jurisdictions. We then compared significant changes in fundamentals believed to be primary contributors to wealth preservation – property value, earning potential, and the liveability or quality of life within a city.

This analysis produced the top 25 cities for wealth preservation from 2015 to 2025. Zug, Hong Kong, and Basel lead the index, demonstrating consistent asset performance, income stability, and high quality of life. Zug, in particular, stood out for improved liveability and a stable tax environment, while Hong Kong retained strength in property markets. Cities like Vilnius, Reykjavik, and Yerevan posted the highest inflation-adjusted property price gains but were ranked lower overall due to their modest starting values. In contrast, cities such as Kuwait City and Sofia suffered from declining liveability scores, underscoring how environmental or political deterioration can offset economic growth. These findings illustrate the importance of looking beyond headline economic data. Wealth preservation depends not just on financial outcomes, but on whether cities can sustain a high standard of living amid inevitable change.

Looking Ahead: Risk, Resilience, and the Future of Wealth

The past decade offers lessons to us all, not least that a lot can change in 10 years. For investors, choosing where to invest today to secure returns tomorrow requires a forward-looking approach to understanding location-based resilience. To support this approach, Multipolitan developed a companion The Smart & Sustainable Cities Index (SSCI) 2025, evaluating the same 25 cities for their readiness to face systemic risks such as digital disruption, climate change, and political instability that may undermine their future resilience and ability to offer wealth preservation in the longer term.

With floods, fires, and temperature anomalies becoming more frequent and severe, climate resilience remains the top consideration for the future. Using environmental sub-scores from the Oxford Economics Global Cities Index and national ND-GAIN scores, we evaluated a city's exposure to environmental risks and its ability to adapt. Simultaneously, digital transformation is central to urban competitiveness. Cities with robust digital infrastructure can better support services, attract innovation, and adapt to future challenges. Using the IMD Smart City Index, we measured a city's level of innovation and ability to support digital transformation, with cities like Singapore and Copenhagen ranked highly for integrating technology into governance and public life. Meanwhile, cities such as Wellington and Melbourne, with strong institutions and predictable policy environments, as reflected in their governance scores, are well-positioned to respond swiftly and effectively to the demands of digital innovation and climate resilience.

Singapore, the only global financial hub in the top five, is a standout - its balance of smart infrastructure, climate adaptation, and political stability is a model for others. However, Wellington, and Copenhagen lead the future-focused ranking, showcasing how cities outside the usual financial epicentres are building holistic resilience. Vancouver and Sydney also demonstrate the advantage of strong governance frameworks paired with high livability.

However, the SSCI also flags rising concerns. Despite its strong past performance, Tel Aviv's low rank underscores how geopolitical volatility can offset technological advancement. Abu Dhabi and Dubai also face concerns over climate-based risks, particularly given the energy requirements to cool these desert-based powerhouses. Moreover, global shifts in taxation, especially pending climate-related levies or digital economy taxes, may alter the overall wealth preservation landscape. Cities heavily reliant on property as a store of wealth may also face valuation pressures as climate risks are increasingly priced into markets. Rising sea levels or fire risk could depress asset values, while digitally lagging cities may become less competitive over time.

Being pragmatic

The Wealth Preservation Cities Index 2015-2025 and its forward-looking counterpart offer a structured way to understand how cities affect personal financial outcomes. As climate change, political shifts, and digital transformation reshape the global economy, traditional wealth havens may lose their edge, while new centres of resilience rise.

For individuals seeking to protect and grow their wealth, it is no longer just about financial returns but about where the future can be lived securely, sustainably, and smartly.

Sources

[1] IMD Smart City Index – International Institute for Management Development (IMD), Smart City Index 2025.

[2] Oxford Economics Global Cities Index 2025 – Oxford Economics, Global Cities Index 2025.

[3] ND-GAIN Index – University of Notre Dame, Notre Dame Global Adaptation Initiative (ND-GAIN) Index, https://gain.nd.edu.

[4] World Bank Governance Indicators (WBGI) – World Bank, Worldwide Governance Indicators, http://www.govindicators.org/.

05 Surviving and Thriving in a High-Tax Future

Michael Velten

The global tax landscape is becoming increasingly complex, and scrutiny of wealth is growing. As a result, families, entrepreneurs, and advisors are reconsidering their approaches to tax planning, compliance, and wealth preservation.

About Michael Velten

In this conversation, Multipolitan sits down with Michael Velten, founder of Velten Advisors. Michael is a qualified solicitor and CPA in Australia, as well as a certified tax advisor in both Hong Kong and Singapore.

He spent 12 years as a Senior Partner at Deloitte Southeast Asia, where he led financial services tax, private client tax, and family office advisory, while also holding leadership roles in investment management and real estate.

Together with Michael, we will examine how ultra-high-net-worth (UHNW) families are adapting to transparency and reporting obligations, the latest regulatory trends across key jurisdictions, and the evolving challenges of cross-border tax planning. Michael also shares his insights on the rise of digital entrepreneurs, the impact of global minimum taxes, and the future of private tax advisory in an era characterised by mobility, innovation, and increased reputational risk.

QUESTION

How are ultra-high-net-worth families rethinking their tax strategies in light of rising global transparency and reporting obligations?

UHNW families are adjusting their tax strategies in response to increasingly strict global transparency and reporting standards. The period of discreet wealth management is shifting towards one where automatic information sharing, heightened compliance demands, and harmonised international tax policies compel families to focus on transparency, proactive planning, and tax management rather than privacy.

The strategic response is complex. UHNW families are restructuring their wealth through trusts, foundations, and charitable giving for tax optimisation and social impact. Many are rethinking residency and domicile strategies to minimise taxes. Some are investing in compliance frameworks and using technology and tax tools to navigate cross-border regulations.

Families are now adopting proactive tax planning and compliance, recognising that attempting to minimise disclosures is no longer practical. With the upcoming Crypto Asset Reporting Framework (CARF), the Common Reporting Standard (CRS) 2.0, and the EU Tax Observatory's proposal for a 2% minimum tax on ultra-high-net-worth (UHNW) wealth for the G20, UHNW families are focusing on strategies to remain compliant while protecting their multigenerational wealth. This shift alters how ultra-wealthy families approach tax planning in a progressively transparent environment.

Effective tax planning for UHNW families and individuals requires transparency, compliance, and agility in responding to evolving international tax initiatives. Those who adapt will protect their wealth; those who hesitate may face risks in this era of global tax transparency.

QUESTION

What are the most significant tax reforms or regulatory trends you've observed recently across key jurisdictions like Singapore, the UAE, the UK, or the US?

Recent years have seen notable changes in tax policies and regulatory trends across major global jurisdictions, including Singapore, the United Arab Emirates (UAE), the United Kingdom (UK), and the United States (US). These reforms are primarily driven by international tax coordination (especially OECD initiatives), economic competitiveness, and the need for fiscal sustainability.

The most important trend is the widespread adoption of OECD BEPS 2.0 (Pillar Two) rules, with Singapore, the UAE, and the UK all introducing a 15% minimum effective tax rate for MNEs with revenues exceeding EUR 750 million. This marks a notable shift towards global tax coordination.

Key Regulatory Trends

01

Enhanced Transparency

Jurisdictions are mandating more detailed reporting and disclosures concerning beneficial ownership.

02

Digital Economy Emphasis

Broadening tax bases to encompass digital services and contemporary business models.

03

Enhanced Compliance and Transparency

Greater accountability through improved reporting, higher audit standards, and clearer beneficial ownership disclosures, especially in the UAE and UK.

04

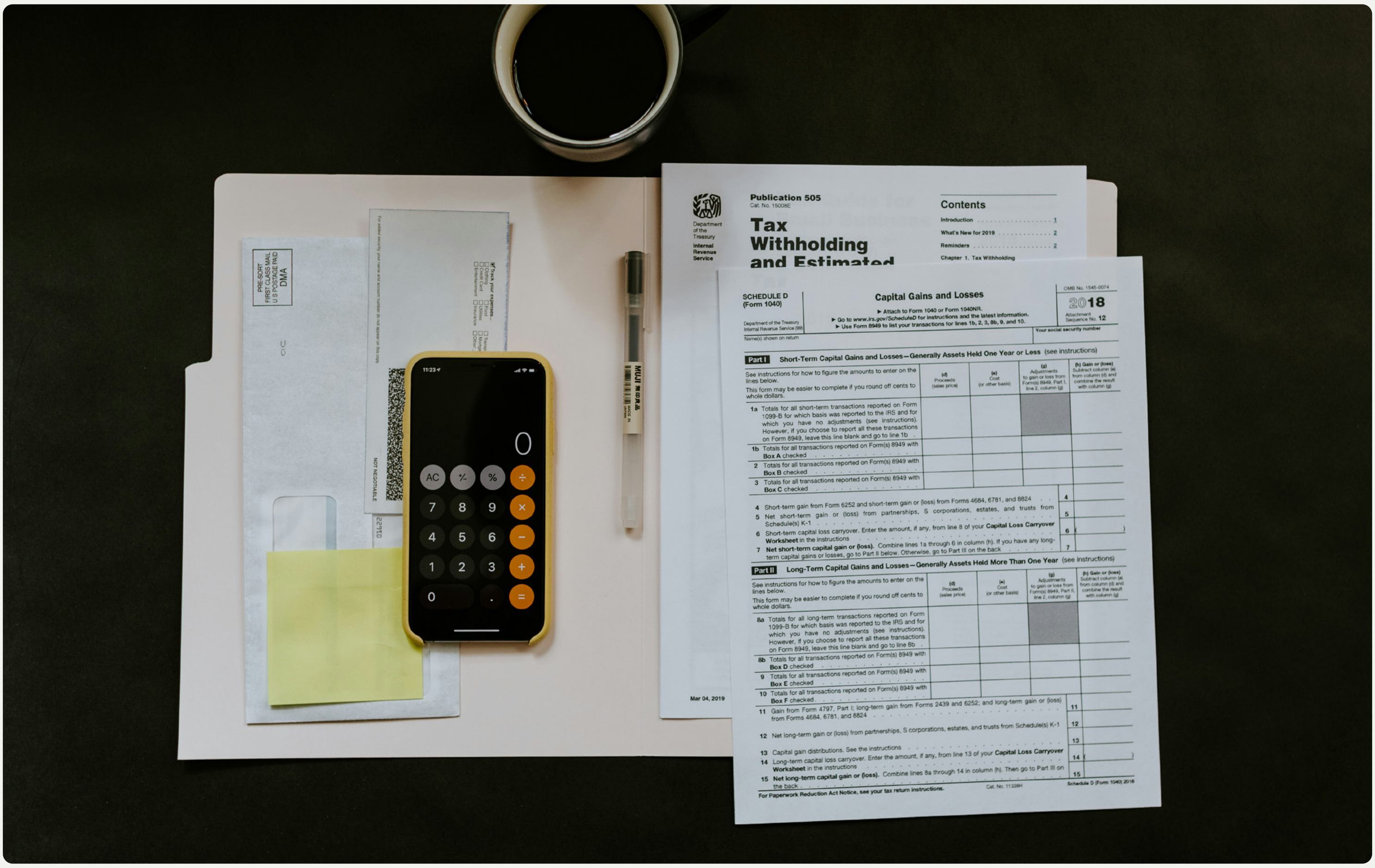
Enhanced Enforcement

Increased investment by tax authorities in technology, analytics, compliance personnel, and auditing resources.

05

Political Uncertainty

Particularly in the US, where important tax provisions may be about to expire.



Key Local Developments

01

Singapore

Implementation of OECD Pillar Two (BEPS 2.0): Singapore has enacted the Multinational Enterprise (Minimum Tax) Act 2024, along with associated regulations, effective from 1 January 2025. This legislation establishes a minimum effective tax rate of 15% through top-up taxes, specifically the Domestic Top-up Tax (DTT) and the Multinational Enterprise Top-up Tax (MTT), for in-scope multinational groups.

Corporate Income Tax (CIT) Rebate and Incentives: For the Year of Assessment 2025, eligible companies will receive a 50% CIT rebate (capped at SGD 40,000), along with a cash grant of SGD 2,000 to help with business costs. New and enhanced tax incentives are designed to strengthen Singapore's equities market, including tax breaks for new listings and fund managers, as well as increased deductions for equity-based remuneration schemes.

Extension and Refinement of Existing Incentives: The Mergers & Acquisitions and Double Tax Deduction for Internationalisation schemes have been extended until 2030. Enhanced regulations now provide upfront certainty that gains from the disposal of shares, including preference shares, are not taxed, and allow group ownership to count towards the relevant thresholds. Enhanced Compliance and Transparency: Intended adoption of CRS 2.0 and the CARF.

02

UAE

Introduction of Federal Corporate Tax: In 2023, the UAE introduced a federal corporate tax system, imposing a 9% tax on profits over AED 375,000. However, qualifying Free Zone Persons (QFZPs) can benefit from a 0% rate if they meet certain criteria.

Domestic Minimum Top-Up Tax (DMTT): Starting in 2025, the UAE will implement a 15% DMTT targeting multinational enterprises with global revenues exceeding EUR 750 million. This measure ensures that MNEs pay a minimum effective tax rate while still benefiting from the advantages of Free Zone incentives.

Enhanced Compliance and Transparency: New regulations now mandate regular disclosures of the Ultimate Beneficial Owner (UBO), require audits for Free Zone entities, and strengthen controls for the Foreign Account Tax Compliance Act (FATCA) and CRS.

03

United Kingdom

OECD Pillar Two Implementation: The UK has introduced the Income Inclusion Rule (IIR) and a DMTT for large multinational companies, effective from accounting periods beginning on or after 31 December 2023. The Under-Taxed Profits Rule (UTPR) will take effect for accounting periods commencing on or after 31 December 2024.

Tax Simplification and Modernisation: The government aims to make the tax system easier to understand and more current, tackle non-compliance, and create a fairer system. Recent reforms include amendments to transfer pricing, permanent establishment regulations, and the diverted profits tax.

Other Important Changes: Increased Capital Gains Tax (CGT) rates, the abolition of the "non-dom" regime (now replaced by the new regime for foreign income and gains, or FIG), and higher employer National Insurance Contributions (NICs) rates from April 2025.

04

United States

The primary focus in the United States is the "One Big Beautiful Bill."

The "One Big Beautiful Bill" represents a tax and spending initiative that the House approved on 22 May 2025, now awaiting Senate review. Backed by the GOP, this legislation builds on the 2017 Tax Cuts and Jobs Act (TCJA) by introducing tax reductions and new provisions for individuals, families, businesses, and non-profits.

Notable features include doubling the standard deduction, increasing the child tax credit to $2,500 per child, removing taxes on tips and overtime, and raising the SALT deduction cap to $40,000 for eligible married couples. Additionally, the bill introduces new deductions for auto loan interest, expands benefits for small businesses, and establishes a tiered excise tax for private foundations and universities.

The bill affects federal spending, raises the debt limit, and gradually removes several clean energy tax credits, sparking debate. It can pass through the Senate using reconciliation rules with a simple majority, bypassing the filibuster; however, negotiations are anticipated. While passing in the House is a milestone, the final version and approval remain uncertain as senators modify provisions before it becomes law.

QUESTION

In a world of increasing scrutiny on wealth and mobility, how do you help clients balance tax efficiency with reputational and compliance risks?

In an era of increased scrutiny on wealth, taxes, and global mobility, assisting clients in achieving tax efficiency while managing reputational and compliance risks requires a proactive approach.

The key is to develop a tax risk management framework. This framework helps advisers guide clients towards sustainable tax outcomes that protect reputations and ensure compliance. It recognises that aggressive tax minimisation may harm long-term value through reputational damage or regulatory sanctions.

Balancing tax efficiency with reputational and compliance risks requires a layered approach that prioritises sustainability over short-term savings. This begins by defining the level of risk and scrutiny that clients are willing to accept. High-profile individuals and UHNW families and individuals face unique reputational risks compared to private business owners. Next, develop a framework to assess strategies while considering regulatory complexity, public perception, and audit likelihood. This sets the parameters before exploring optimisation opportunities.

The approach focuses on creating a balanced tax risk policy that aligns efficiency goals with the overall risk appetite and business strategy.

The components of a tax risk management framework include:

01

Comprehensive Tax Risk Policy

Define clear strategies for tax planning and compliance, supported by strong internal controls.

02

Proactive Risk Assessment

Consistently identify and assess potential exposures resulting from regulatory and tax changes, as well as complex transactions and transactions involving high-risk areas.

03

Comprehensive Tax Risk Policy

Prioritise adherence to tax laws over aggressive optimisation strategies that may attract scrutiny.

04

Technology Integration

Utilise analytics for real-time visibility and improved tax compliance and reporting accuracy.

05

Continuous Monitoring

Regular updates to strategies that reflect changes in regulations and public sentiment.

06

Reputational Management

Incorporate transparency and ethical principles into a sustainable tax strategy.

The framework emphasises that an effective tax strategy involves risk awareness, transparency, and ethical considerations that go beyond mere technical optimisation. It recognises that reputational concerns are of great importance, with family businesses and UHNWIs adjusting their approaches due to public scrutiny, not just for tax efficiency.

Some broader observations include:

01

Prioritise substance over form

Effective tax strategies should have real economic substance. Focus on those that align with actual business operations or investment goals.

02

Implement Documentation Standards

Keep records that provide business reasons for each structure, including board resolutions and operational evidence. Robust documentation ensures compliance and protects reputation against scrutiny.

03

Regular Compliance Health Checks

Conduct regular reviews of structures and positions as tax laws evolve to ensure ongoing compliance with these laws. Monitor ownership requirements, substance regulations, and tax treaty updates. Detecting compliance gaps early helps prevent larger issues.

04

Prepare for transparency

With rising global demands for transparency, such as beneficial ownership registers and automatic information exchanges, craft strategies that can withstand public scrutiny. Consider how structures are portrayed in media coverage and whether they align with declared family and corporate values.

In short, the key is to build tax efficiency that enhances, rather than undermines, broader business and personal objectives.

QUESTION

With the rise of digital entrepreneurs, influencers, and crypto-native clients, how has tax advisory work evolved over the past five years?

Tax advisory work has undergone a significant transformation to keep pace with the evolving business models and revenue streams of the emerging digital economy. The complexity surrounding the classification and reporting of digital income has increased significantly, with advisors now routinely managing influencer sponsorship deals, affiliate marketing commissions, NFT sales, DeFi, and subscription-based digital products. Each requires distinct treatment, and guidance from tax authorities can often lag these innovations, leaving advisors to navigate grey areas while safeguarding clients from future compliance issues.

Some specific observations follow:

01

Cryptocurrency and Multi-Jurisdiction Complexity

Crypto transactions have become a specialised area, requiring advisors to track cost basis across various wallets, manage hard forks and airdrops, and handle DeFi transaction reporting. Meanwhile, digital entrepreneurs operating across state and international borders face more complex nexus issues and compliance requirements in multiple jurisdictions than traditional business structures.

02

Technology Integration Requirements

Tax practices focused on this area may need to invest in technology to manage the volume and complexity of digital transactions. This includes crypto tax software, automated bank feed integrations, and platforms that can process transactions from various digital revenue streams. These capabilities were unnecessary in traditional practice.

03

Shift to Ongoing Advisory Relationships

The traditional reactive approach has evolved into ongoing advisory relationships. Digital entrepreneurs need regular tax advice, optimisation of their entity structure, and proactive strategies for managing irregular income streams.

All of this leaves aside the implications of the Crypto-Asset Reporting Framework for digital entrepreneurs. The CARF is poised to reshape the digital economy landscape. This OECD initiative requires comprehensive reporting of all crypto activities, including cryptocurrencies, stablecoins, NFTs, DeFi transactions, and tokenised securities. The exchange of information will commence in 2027 (for 2026) or 2028 (for 2027). Over 60 jurisdictions committed to implementation and automatic data sharing between tax authorities.

The operational impact on digital entrepreneurs will be immediate and substantial. Crypto-Asset Service Providers (CASPs) must gather enhanced documentation, including tax residency details and taxpayer identification numbers, while reporting obligations encompass crypto-to-fiat exchanges and peer-to-peer transfers.

In jurisdictions adopting the CARF, exchanges, wallet services, NFT marketplaces, and DeFi platforms must allocate resources to compliance infrastructure. These obligations go beyond traditional Anti-Money Laundering and Know-Your-Customer standards.

As with the implementation of FATCA and CRS, tax professionals will have a vital role in advising CASPs and digital asset investors.

QUESTION

Many family offices are diversifying across multiple jurisdictions. What are the biggest pitfalls or blind spots you see in cross-border tax planning?

Asian family offices diversifying across jurisdictions face significant pitfalls in cross-border tax planning. The complexities of tax regimes, evolving regulations, and increased transparency create challenges.

The most critical issues include:

01

Misunderstanding Tax Residency and Permanent Establishment Risks

Many families mistakenly believe that incorporating in a low-tax jurisdiction alone allows them to avoid tax residency and permanent establishment issues. In reality, corporate tax residency depends on where management and control take place, not just where the company is legally registered. If key decision-makers or operations are in a high-tax country, that country may tax the entity's worldwide income. Setting up an office, hiring staff, or conducting activities in another country can create a permanent establishment, subjecting the family office to local taxation on part of its income, even if it is registered offshore.

02

Neglecting Withholding Taxes

Investing internationally, particularly in the US or major markets, can result in significant withholding taxes on interest, dividends, royalties, and rent. For instance, interest paid from the US to non-US investors faces a 30% withholding tax unless tax treaties or domestic exemptions, such as the portfolio interest exemption, are applicable. Poor investment structuring can lead to avoidable tax liabilities and increased compliance burdens.

03

Residency Assumptions and Tie-breaker Rules

Many families underestimate the complexities involved in determining tax residency. Simply possessing a passport or residing in a location for fewer than 183 days does not guarantee non-resident status. Countries like Australia and the UK employ intricate tie-breaker tests that consider factors such as available housing, family connections, and economic ties. Families from Asia often overlook how these regulations interact across different jurisdictions, which can lead to unexpected dual residency situations. Additionally, CRS 2.0 will require the reporting of all domestic tax residencies, not just the tie-breaker residency as specified in the relevant tax treaty. For example, this could have significant implications for mainland Chinese individuals with a family office and/or tax residence in Singapore who still hold household registration in China, thereby continuing to be regarded as domestic tax residents in China while residing and being taxed in Singapore.

04

CRS and Automatic Information Exchange Gaps

Although most families are familiar with the Common Reporting Standard, they often overlook important timing and scope issues. Planning for the timing of information exchange frequently lacks coordination with the moments when tax obligations arise. Furthermore, many believe that all Asian jurisdictions engage with the CRS uniformly; however, countries such as Taiwan, Thailand, and the Philippines have varying levels of implementation, presenting both opportunities and risks for planning.

05

Controlled Foreign Corporation (CFC) Rule Complexity

Asian families often establish structures without a complete understanding of how CFC rules operate in their home countries (e.g., China, Indonesia, and Taiwan). When combined with CRS reporting, these structures may face increased scrutiny. At the same time, consideration should be given to potential CFC planning opportunities that might exist.

06

Trust and Foundation Structure Misalignment

There can be a tendency to use standard or "cookie-cutter" offshore structures without considering how they are perceived in each relevant jurisdiction, such as the country where the beneficiaries reside. This oversight can lead to unexpected tax liabilities, particularly in jurisdictions with high tax rates and complex tax systems, such as Australia.

07

Succession Planning Across Different Legal Systems

Asian families often concentrate on minimising current taxes, sometimes at the expense of considering how various inheritance and gift tax laws interact during succession. The complexity caused by the conflict between forced heirship rules in civil law jurisdictions and Anglo-Saxon trust principles may be overlooked.

08

Evolution of Substance Requirements

The need for economic substance requirements is increasing, particularly in jurisdictions such as Hong Kong and Singapore. This trend impacts not only access to tax treaties and benefits but also foreign-sourced income and capital gains exemptions. Having just a local director or registered office may no longer be enough. Tax authorities are more closely examining actual business activities, the placement of key personnel, and decision-making processes.

09

Transfer pricing documentation issues

When family entities engage in cross-border transactions, such as lending money, providing services, or transferring assets, inadequate documentation of arm's-length pricing may result in transfer pricing adjustments and penalties.

10

Exit tax pitfalls

Family members might move to a different jurisdiction without properly addressing their tax obligations in their home country, leading to situations where they could be taxed as residents in multiple locations or face exit fees or taxes on unrealised gains.

11

Treaty shopping

The use of tax treaties becomes more difficult as countries enforce anti-abuse measures. Family offices must focus on current substance requirements and principal purpose tests.

The most effective Asian family offices focus on continuous monitoring. They maintain detailed records and recognise that cross-border tax planning necessitates ongoing adjustments in response to shifting family circumstances, evolving regulatory environments, and evolving international tax laws.

QUESTION

Global minimum taxes and the OECD's Pillar Two rules are gaining traction; how do these developments impact private investors and multinational families?

OECD Pillar Two rules target large MNEs with annual consolidated group revenues of EUR 750 million or higher. The purpose of Pillar Two is to ensure that these major companies pay at least a minimum tax rate on income generated in each country where they do business.

Pillar Two is part of the broader OECD/G20 BEPS (Base Erosion and Profit Shifting) initiative, which addresses tax challenges caused by digitalisation. The framework aims to mitigate tax competition and prevent the "race to the bottom" in corporate tax rates, thereby enabling multinationals to avoid shifting profits to low-tax jurisdictions. Over 65 countries have either implemented or drafted legislation based on the OECD's Pillar Two framework.

Pillar Two could have implications for multinational family businesses and private investors. These include:

01 Top-up taxes

Family businesses with revenues exceeding EUR 750 million in at least two of the past four years must pay additional taxes in countries where the effective tax rate is below 15%, which can undermine local tax incentives and free-zone concessions. The regulations provide safe harbours and de minimis exclusions to facilitate compliance. Even if they do not owe top-up tax, these businesses still face extensive global compliance and reporting requirements. In some jurisdictions, penalties for non-compliance and failure to file can be severe.

02 The EUR 750 million Threshold Brings Unexpected Risks

The global minimum tax targets multinational groups with consolidated revenues exceeding EUR 750 million, but many family offices and private investors may unintentionally fall within its scope. The challenge stems from how "revenues" are interpreted for investment-focused entities and the application of "deemed consolidation" regulations, which can classify connected entities as being under common control. Families managing significant investment portfolios alongside trading operations, or those with complex international holding structures, might find that revenue aggregation obligations create compliance requirements, even if the family office was not the main target.

03 Structural Challenges with Trusts and Foundations

Dentifying the Ultimate Parent Entity (UPE) is crucial for determining which entities fall under the Pillar Two framework. Family asset-holding structures, such as trusts and foundations, may be regarded as UPEs. When personal assets or family office entities are combined with business assets within the same ownership structure, those personal assets will be included in the Pillar Two framework.

04 Compliance Challenges

Entities within scope must submit GloBE Information Returns, which require more than 150 data points for each entity. These entities need to monitor effective tax rates across all operating jurisdictions, which necessitates the use of sophisticated accounting systems.

05 Investment Strategy Considerations

Family offices often hold portfolio investments in offshore financial centres that offer favourable tax rates. Consequently, investment income and gains become significant sources of potential exposure under minimum tax laws. Structures falling under these regulations may incur top-up tax charges if they generate income or gains taxed at a rate below the 15% threshold. However, the outcome varies; investment returns might avoid top-up taxes due to accounting practices, specific exemptions in regulations, or if the low-taxed income is offset by higher-taxed profits within the group.

06 Political Uncertainty Adds Complexity

In January 2025, President Trump announced that the OECD "Global Tax Deal" held "no force or effect" in the United States, effectively withdrawing from the international agreement. Despite this, many major jurisdictions are still progressing with the rules, resulting in a fragmented set of compliance obligations for families conducting business internationally. This situation introduces unpredictability for cross-border structures and could influence families' strategies for international tax planning.

QUESTION

Succession and intergenerational wealth transfer planning remain key themes.
How are tax strategies shifting in this space, especially for families with globally mobile heirs?

The most significant intergenerational wealth transfer in history is currently underway, with $124 trillion in assets expected to change hands by 2048. Affluent families, especially those with mobile heirs, are increasingly prioritising succession planning and wealth transfer. This occurs against the backdrop of significant changes to tax laws and evolving international frameworks that necessitate strategic consideration.

For example, American families are preparing for the expiry of provisions from the TCJA. By 2025, the lifetime estate and gift tax exemption is expected to decrease from $13.99 million to approximately $7 million in 2026, representing a nearly 50% reduction. This decline is seen as a "once-in-a-lifetime" opportunity to save on federal gift and estate taxes. As a result, there has been a significant increase in strategic gifting, with families adopting a "use it or lose it" approach to maximise current federal gift and estate tax exemptions. Importantly, the IRS has stated that lifetime gifts made. At the same time, the exemption is higher, which means that if the exemption amount is reduced, it will not result in retroactive taxation, thereby alleviating concerns about clawback and encouraging prompt action. This change has prompted families to accelerate wealth transfer plans to secure today's favourable thresholds.

For families with heirs and assets distributed across multiple countries, the complexity of wealth transfer becomes much greater. For example, individuals who are not U.S. citizens generally do not have to pay U.S. estate tax unless they own assets situated in the United States. However, if their heirs are U.S. residents or citizens, those assets could be taxed in the next generation, emphasising the importance of careful planning to prevent double taxation.

Other factors raise challenges in developing intergenerational wealth transfer strategies. These include:

01 International Tax Transparency

Tax authorities are increasing enforcement by employing enhanced reporting under the CRS and FATCA, which requires a greater focus on compliance.

02 Jurisdictional Differences

Many countries impose their own estate or inheritance taxes, with broadly varying exemption limits and rates. For example, in Japan, long-term residents may face an inheritance tax of up to 55% on their global assets, whereas in European countries, such as France, 50-75% of an estate is typically allocated to children due to forced heirship laws.

03 Forced Heirship and Local Succession Laws

In regions with forced heirship laws, a specific part of the estate is allocated to designated heirs, regardless of the terms specified in the will. This legal requirement can override the testator's wishes and complicate international estate planning.

04 Multi-Jurisdictional Wills and Trusts

Families often need to coordinate different wills or consider multi-jurisdictional estate plans to ensure their assets are distributed in accordance with their wishes while adhering to local laws.

The most effective approach to wealth transfer planning emphasises flexibility and informed decision-making. By staying up to date with changing tax laws, utilising available exemptions and planning tools, and working closely with advisors across relevant jurisdictions, families can protect their legacies and ensure a smooth transfer of wealth to their heirs, regardless of their location worldwide.

In conclusion, amid global mobility, careful and proactive planning is essential for successful succession and wealth transfer.

QUESTION

What's your take on the debate between onshore vs. offshore structuring in today's regulatory climate?
Is the offshore trust model still alive and well?

The wealth management playbook is evolving. For many years, wealthy investors preferred offshore solutions for privacy, tax benefits, and asset protection. Domestic options are increasingly surpassing offshore choices, attracting attention from a broad range of advisors and wealth planners.

The offshore advantage has diminished due to regulatory reforms. The Common Reporting Standard, FATCA obligations, and beneficial ownership registries have broken down the secrecy that once made offshore structures attractive. Tax authorities now have access to offshore arrangements, turning a strategic advantage into a compliance challenge. The era of "bank secrecy" is essentially over.

Domestic jurisdictions are introducing advanced alternatives that compete with traditional offshore advantages. In the U.S., states like Delaware, South Dakota, and Nevada now offer perpetual trusts, dynasty structures for wealth transfer, and asset protection features rivalling offshore options. Importantly, these onshore solutions provide what offshore structures increasingly lack: predictability, familiar legal frameworks, and regulatory stability for investors. In Asia, jurisdictions such as Singapore, Hong Kong, and Malaysia offer onshore family office, fund, and trust options.

The economics present a straightforward narrative. Offshore structures now entail higher setup costs, complex compliance, and multiple services, alongside vigilance against regulatory and tax changes. Domestic options offer similar benefits at often lower costs and greater certainty. The critical question has shifted from "Why wouldn't I go offshore?" to "Why would I?"

Offshore structures still hold value, particularly for strong creditor protection in the Cook Islands, global family succession planning, and specialised business ventures. The future favours hybrid strategies that blend onshore stability with selective offshore benefits, or fully domestic methods prioritising substance and compliance over form. The transition to onshore structures indicates progress in wealth management. It's a move towards more sustainable, transparent, and more effective strategies.

QUESTION

Can you share an example of a particularly complex structuring case you've worked on, and what it revealed about the future of private tax advisory?

Every case has its own unique aspects, especially with Asian families, which are characterised by complexities across different jurisdictions. Due to the varied tax laws and regulations in each country within the region, no single case can define the future of private tax advisory services.

A composite case follows:

A Malaysian family holds the majority stake in an Australian-listed company (which owns real estate assets in Malaysia), as well as in a Malaysian-listed company. The total market value of the family's stake in the two listed companies is EUR 750 million.

The family has significant personal financial investments, including:

01

Real estate in Australia, Dubai, Tokyo, London, and the U.S. The real estate is held through offshore companies.

02

Private asset investments in technology startups in Southeast Asia.

03

Singapore and Swiss private banking accounts.

04

Cryptocurrency assets held by various exchanges and platforms.

The founder and his wife, both in their late 60s, live in Kuala Lumpur. They have three children. The eldest, a banker, lives in Singapore with her husband and two children, who are Singaporean citizens. She is a permanent resident there. Their middle child is an entrepreneur in Australia, where he holds Australian citizenship and is married with one child. The youngest is currently in the US, pursuing postdoctoral studies, has a green card, and plans to establish his career there.

The family intends to establish a family office in Singapore to manage their personal financial and real estate holdings, as well as a trust designed to hold shares in publicly listed companies. This trust will serve as a long-term investment vehicle for the family and future generations. A Labuan foundation will hold a family office for the family members. The daughter based in Singapore will manage the family office due to her background in finance. The son based in Australia will continue to focus on identifying start-up and private asset opportunities for the family to invest in through the family office. He will serve as a director of the family office (along with his sister) and have the authority to conclude transactions on its behalf.

The fact pattern raises a range of complex issues. These include:

01 Tax Residency Conflicts

Family members have different tax residencies in Australia, Malaysia, Singapore, and the US, causing overlapping tax issues, particularly regarding the proposed trust and foundation, as well as reporting requirements.

02 Singapore Family Office

The structure and operations of the family office, including the application process for the Section 13O/U tax incentive and the tax implications associated with transferring assets, particularly real estate, into the family office structure.

03 Tax Residence of the Family Office

The control and management of the family office must be established in Singapore to benefit from Singapore's tax treaties.

04 Permanent Establishment Risk

The risk of a permanent establishment in Australia related to the middle son's authority to conclude transactions for the family office.

05 Trust Location

The preferred location and governing law for the trust.

06 Trust Features

The primary features and terms of the trust, including the settlor's wishes.

07 Trust Taxation

Key factors to consider include taxes (and other regulations and listing rules) related to transferring shares of a publicly listed company into the trust, as well as the tax implications for both the settlor and beneficiaries (and protector), depending on their tax residency.

08 Foundation Tax Treatment

The tax implications for the foundation and beneficiaries based on the family members' tax residencies.

09 Pillar Two Considerations

Assessing whether the proposed trust meets the criteria for a UPE and the significance of OECD Pillar Two and the 15% Global Minimum Tax.

10 Crypto Reporting

Transactions involving cryptocurrency may be reported under the CARF.

Cases like this have always required careful planning, ongoing management, and review. This will only become more difficult. Complex tax regulations, transparency demands, revenue pressures, and increased audits will collectively subject structures like the one described to scrutiny in all relevant locations.

There is a growing focus on avoiding unnecessary tax exposures rather than solely seeking advantageous tax outcomes in a particular jurisdiction. This trend is significant when multiple jurisdictions are involved, as in the case study.

The complexity of fact patterns like this demands a holistic approach rather than individual or isolated solutions.

Private tax advisors now must:

01

Simultaneously manage corporate, trust, and personal tax positions.

02

Model scenarios for Pillar Two impacts.

03

Incorporate reputational safeguards into structures and tax risk management frameworks.

04

Monitor regulatory and tax updates across various locations.

05

Ensure tax compliance and reporting utilising appropriate technology tools.

In other words, a forward-looking and adaptive approach is required.

QUESTION

If you had to predict, how will the role of a private tax advisor evolve in the next decade?
What skills or specialisations will define the next generation of tax professionals?

The private tax advisory sector is evolving due to technological advancements (especially AI), complex regulations, and shifting client needs. Tax is now a year-round strategic partnership that requires new skills, better tools, and innovative ways to serve clients. Over the next decade, private tax professionals will need to combine technical expertise with analytical skills, effective communication, and a commitment to learning new technologies. This involves investing in technology skills, improving advisory abilities, and developing specialised expertise.

These elements are analysed in more detail below:

01 Automation and AI

Both automation and AI are transforming taxation by handling data entry, document processing, and tax research. Tax advisers need to master platforms that analyse data for real-time insights. Firms will have to invest in AI-enhanced client portals to provide personalised services and seamless digital experiences, which clients will increasingly expect as standard.

02 Strategic Partner

As automation takes over routine filings and tax research, tax professionals will develop into strategic partners, supporting clients through transitions, honing tax strategies, and identifying tax planning opportunities. Ongoing engagement will replace the traditional seasonal approach, as clients increasingly seek continuous strategic advantages and effective tax management.

03 Specialisation

The complexity of tax law requires a focus on emerging areas. Taxation of digital assets is vital due to the rise of cryptocurrencies and non-fungible tokens (NFTs). International tax expertise is increasingly necessary with the growth of global mobility. The complexity of state and local tax increases, as jurisdictions compete for revenue, necessitates the need for specialists to address challenges related to nexus.

04 Human-centred skills

As technology automates tasks, the importance of human factors increases. Success depends on effective communication and relationship management, which require professionals to simplify complex ideas and build strong client relationships. Emotional intelligence and leadership are essential for the next generation of tax advisors, enabling them to effectively guide clients through complex decisions and evolving regulations. The ability to analyse regulations and forecast trends, while keeping clients informed, sets exceptional advisors apart.

06

What Americans on the Move Need to Know

Sasha Young

What Americans on the Move Need to Know

About Sasha Young

Sasha Young da Silva, Managing Partner at Areia Global, is a U.S. attorney who advises American private clients living in Portugal on tax and estate planning matters. Her globally informed perspective is shaped by a life spent across cities, including Miami, Mexico City, Bogotá, and now Lisbon, allowing her to craft nuanced strategies for internationally mobile families. Sasha began her legal career at White & Case and McGuireWoods later serving as in-house counsel at Amazon Prime Video, where she advised on production, licensing, and international tax issues across Latin America. She holds a J.D. from Northwestern University, is licensed in Florida and Washington, and speaks English, Papiamento, Spanish, and Portuguese.

The world is more mobile than ever. Remote work and digital-first entrepreneurship have made it possible to live in one country, run a business in another, and invest across multiple jurisdictions all from a laptop. Americans are embracing this freedom, perhaps like never before. And it is no longer just the ultra-wealthy. Founders, solo professionals, remote families, and retirees are charting new lives in places like Portugal, Spain, Mexico, and the UAE.

But while life can move easily across borders, tax obligations for Americans cannot. Too many Americans only discover this once they are already abroad. The U.S. tax system stays with you, and foreign systems quickly catch up. If you do not plan carefully, you could be exposed to double taxation, compliance burdens, investment restrictions, and estate planning conflicts. The future may be borderless, but it is not tax-free.

At Areia Global, we work with Americans who are building mobile lives. Here is what we are seeing on the ground in Portugal, and what every globally minded American should know before they move.

You Do Not Leave the U.S. Tax System. You Add Another One.

The United States taxes based on citizenship, not just residency. This is unusual. Most countries only tax their residents. As an American, you are required to file and pay U.S. taxes every year, no matter where you live. This includes reporting your global income, foreign bank accounts, and many types of non-U.S. investments.

When you establish residency in a new country, you likely become taxable there as well. For example, under Portuguese rules, if you spend more than 183 days in Portugal or have a home there that is your habitual residence, you may be a tax resident. This would mean you now have two systems requiring filings, payments, and disclosures. Double tax treaties provide some coordination, but they do not eliminate tax exposure. They allocate taxing rights between countries and set rules for credits. In practice, Americans usually end up paying whichever country imposes the higher rate.

The Foreign Earned Income Exclusion (FEIE) is a strategy that can reduce your U.S. tax liability, but it comes with tradeoffs. Using the FEIE may disqualify you from foreign tax credits, limit your eligibility for local retirement programs, and restrict how you structure your income. Once elected, it impacts multiple years of future tax strategy. It is not a short-term fix. It is a decision that affects your whole cross-border financial picture.

Choosing a Visa Is a Tax Strategy, Not Just an Immigration Decision

In Portugal, one of the most overlooked tax traps happens right at the beginning: visa selection.

Many Americans apply for the D2 visa, which is tailored for entrepreneurs. To qualify, you must establish a Portuguese company. This company may seem like a simple shell to meet the visa requirement, but it has serious tax implications. For U.S. purposes, a foreign corporation that is majority-owned by a U.S. person is typically considered a Controlled Foreign Corporation (CFC). That triggers complex reporting and possibly U.S. tax under the Global Intangible Low-Taxed Income (GILTI) regime.

GILTI requires U.S. shareholders of CFCs to report certain types of foreign income each year, regardless of whether the company has distributed dividends. In other words, you may owe U.S. tax on money you never received. This income is calculated on an aggregate basis and is subject to different rules depending on whether you hold the company directly or through a U.S. corporation. If you are an individual, it often results in a punitive inclusion unless you plan ahead.

Other visa categories, such as Portugal's Startup Visa or the Highly Qualified Activity (HQA) Visa, may involve incubators, government grants, or IP transfers. These can create new types of income that need to be classified and reported correctly. Your immigration attorney may not consider the U.S. tax treatment of those income streams. Your U.S. accountant may not even know they exist. Structuring your visa strategy without tax advice is one of the fastest ways to turn a promising relocation into a long-term liability.

Be Careful with Offshore Investments

Americans abroad are not always prepared for the challenges around investing abroad. Many U.S. brokerages and retirement account custodians restrict access once you change your mailing address to a foreign country. Sometimes that will push Americans to look to local investment platforms.

But investing in foreign funds, companies, or insurance products without a U.S. tax review can be precarious. Many foreign mutual funds and ETFs are considered Passive Foreign Investment Companies (PFICs) under U.S. law. These are subject to extremely unfavorable tax treatment and require detailed annual disclosures. Penalties for noncompliance are steep, and gains may be taxed as ordinary income with interest charges.

This is particularly relevant in the Portuguese Golden Visa context. Many local private equity or venture capital funds used for visa purposes are structured in ways that trigger PFIC classification. Investors often do not realize this until years later, when the IRS begins questioning their returns. A local fund that looks fully compliant under Portuguese law may still be difficult from a U.S. tax perspective.

Cryptocurrency and precious metals are also increasingly popular among Americans seeking financial sovereignty, but they are not free of complexity. Crypto wallets held abroad may require FBAR or FATCA disclosures. Gold stored in a foreign vault might need to be reported as a financial asset. The logistics of buying, storing, and reporting these assets as a U.S. taxpayer living overseas are often more complicated than expected.

Currency Matters: Plan for the Dollar to Weaken

If your income is in dollars but your expenses are in euros, you are taking on currency risk. A strong dollar may stretch your retirement distributions or U.S. salary further, but if the dollar weakens, your purchasing power can drop suddenly.
For many Americans living abroad, a currency swing of 10 to 15 % can stretch an otherwise stable budget.

There are ways to hedge this risk. In Portugal, certain euro-denominated products can provide stable local income, but these products must be reviewed carefully from a U.S. tax perspective. Some are considered PFICs. Others may require international disclosures. The right solution depends on your overall structure, your residency status, and your long-term financial goals.

Your U.S. Accounts May Not Follow You

Many Americans are surprised to learn that moving abroad can disrupt their existing accounts. U.S. retirement account custodians, for example, may no longer act as custodian once they learn you are a nonresident. They may freeze trading, remove named beneficiaries, or restrict distributions. This is not a tax issue; it is an administrative one.
But the financial impact can be significant.

If you are relying on your IRA, 401(k), or brokerage account to fund your life abroad, make sure those institutions allow continued access and management once your address changes. Some may force a liquidation or apply early withdrawal penalties if you do not follow the proper steps in advance.

Cross-Border Families Face Unique Estate Risks

International estate planning is often overlooked in the conversation around global mobility.

If you are married to a non-American, the U.S. estate tax system does not offer the same protections. A U.S. citizen may be able to leave unlimited assets to a U.S. citizen spouse. But if your spouse is not a U.S. citizen, the unlimited marital deduction is not available. The U.S. estate tax exemption for non-U.S. persons holding U.S. assets is $60,000 as of the date of this publication, even if you are both living abroad. Anything over that amount will be subject to U.S. estate tax. In Portugal, the problem is compounded by forced heirship laws. These laws may entitle your spouse to a fixed portion of your estate, regardless of what your will says or the tax implications of transfers to non-citizen spouses. And if your assets span multiple jurisdictions, a U.S.-only estate plan simply will not work.

Expatriation Comes With an Exit Tax

Some Americans decide that they don't want to be subject to U.S. tax obligations for the rest of their lives. They want to give up U.S. citizenship to escape the tax net entirely. This is a serious decision, and it potentially comes with one last cost: the exit tax.

If you are a "covered expatriate," which generally means your income or assets exceed certain thresholds, or you have not been fully compliant with your filings for five years, the U.S. treats you as if you sold all your assets the day before you expatriated. Unrealized gains may be taxed immediately. Retirement accounts may be deemed distributed. Certain gifts to U.S. persons after expatriation may also trigger a tax.

Expatriation must be approached with years of planning. Cleaning up past compliance, managing appreciated assets, and timing your exit are all critical to reducing the financial impact. This is a strategy that must be executed carefully and deliberately.

Your Kids May Still Be Americans

Some American parents abroad believe that if they do not apply for a passport for their child, that child is not a U.S. citizen. Unfortunately, that is not how it works. U.S. citizenship is transmitted automatically if certain conditions are met, such as one parent being a citizen who lived in the U.S. for the required period. That means a child born abroad may be a U.S. citizen at birth, even without a passport or Social Security number. And if they are citizens, they are subject to the same tax filing and reporting requirements as any other U.S. person.

This includes FBARs, FATCA reporting, and potentially even tax filings depending on income. If you do not address this early, you may create a compliance mess for your child in adulthood that takes years to unwind.

Plan Early

Most tax-saving opportunities happen before you move. If you are planning to sell U.S. real estate, restructure a business, or rely on draws from retirement accounts while abroad, the time to act is at least one to two years before your departure. Once you are abroad, the options narrow. International relocations are tax events, not just a lifestyle changes.

At Areia Global, we help Americans live globally without getting caught in systems that may not contemplate modern mobility. The tax systems of the world are complex, overlapping, and unrelenting. The earlier you plan, the more options you will have. The future is mobile. The future is global. The future is taxed. Plan accordingly.

07

How to Stay Compliant and Free in the Trust-First Economy

Derren Joseph

About Derren Joseph

Derren Joseph is an international tax strategist and Enrolled Agent authorized to represent clients before the IRS. He advises global entrepreneurs, expats, and investors on cross-border tax, asset protection, and compliance.

He chairs the Tax Working Group for Moores Rowland Asia Pacific and holds advisory roles with the IBSA, Caribbean Chamber of Commerce in Europe, and Vlogmi.

Derren holds two master's degrees in economics, a Harvard tax qualification, and executive training from Columbia and NYU. He's been featured in Bloomberg, The New York Times, and Forbes, and has authored three books on international tax.

As borders blur and capital flows more freely than ever, a new breed of entrepreneur, investor, and internationally mobile family is confronting a complex reality: global tax compliance requires not only attention to numbers but also a focus on trust, timing, and truth. And in an age of "finfluencers" and financial misinformation, even that is under siege.

We sat down with Derren Joseph, an international tax expert who is admitted to practice before the IRS, and Chair of the Asia-Pacific Tax Working Group for Moores Rowland Asia Pacific, to decode the blind spots, the shifts, and the survival strategies shaping cross-border wealth today.

Welcome to the Age of the "Freedom Portfolio"

> "Second citizenship used to be about perks: lower taxes, visa-free travel. Today, it's about survival. Families want options. They want backup plans."

Citizenship has become less about identity and more about insurance. In a world rocked by pandemics, war, inflation, and rising political uncertainty, wealthy individuals are building what Joseph calls "freedom portfolios" - a basket of residences, passports, and legal rights designed to outlast any one nation's instability.

During COVID, many realized their passports were only as powerful as their governments' pandemic policies. That led to a boom in residency-by-investment (RBI) programs and "golden visas," which have expanded beyond oligarchs and oil barons to include crypto founders, tech workers, and even middle-class professionals.

"There are now over 60 countries offering digital nomad visas," Joseph points out. "But what's striking is the shift in psychology. People aren't necessarily looking to move forever - they're looking for access on demand."

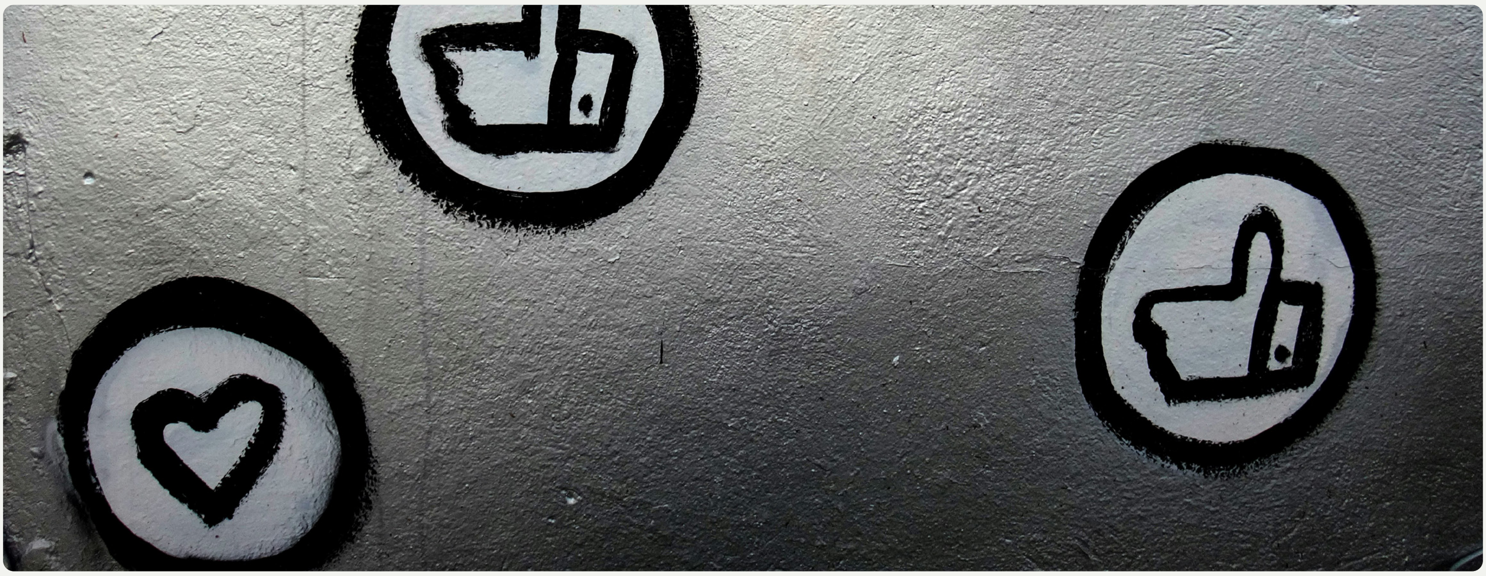
Influencers, Audits, and the TikTok Tax Trap

Not all access, however, is created equal. The explosion of financial content on social media has created what Joseph calls a dangerous "tax entertainment industry."

"The IRS added influencer-led schemes to its 'Dirty Dozen' scam list for a reason," he says. "People are being misled into risky or outright fraudulent strategies."

Joseph cites the case of John Anthony Castro, a YouTube tax advisor with slick branding and "guaranteed tax savings," who was convicted on 33 counts of fraud in 2024. "The scary part is he wasn't some anonymous TikToker. He had credentials. He used legal-sounding language. That's what made it dangerous."

> His advice is simple: If the tax advice comes with a Lambo in the background, swipe left.



Where You Live Isn't Always Where You're Taxed

A major blind spot among international entrepreneurs and expats? Assuming that physically leaving a country severs all tax ties. "It doesn't," Joseph says. "Especially not if that country is the U.S."

The U.S. has one of the world's most complex tax codes, and its tentacles stretch far and wide. Americans abroad, green card holders, and even accidental American citizens are often shocked to find they still have IRS obligations, even after they've left.

Exit strategies require careful choreography. Joseph explains that if you are considered a "covered expatriate," meaning you have net assets over $2 million or a high average tax liability, you may owe an exit tax as if you sold all your global assets the day before you renounced.

Smart planning before expatriation can reduce tax exposure on capital gains, retirement accounts, and even trusts. But leave it too late? "You're locked in. And the IRS doesn't negotiate after the fact."

Trusts, Wrappers, and the Myth of the Magic Structure

In an era where asset protection is trending on TikTok, Joseph wants to clarify one thing: there is no silver bullet.

> "Trusts, foundations, insurance wrappers: they're all still incredibly valuable. But they only work when tailored to your life, your risks, and your jurisdictional exposure."

Too often, people try to copy-paste strategies that worked for someone else. "A structure that's perfect for a German executive with EU assets might be a disaster for a Singaporean founder with crypto and U.S. shares," Joseph warns.

He urges clients to consider three dimensions:

01

Personal risk profile

What are you protecting against? Lawsuits? Creditors? Divorce?

02

Asset composition

Real estate? Crypto? IP? Business interests?

03

Jurisdictional alignment

Where are your threats? Where are your banks? Where are your courts?

And yes, it matters where your structure lives. That's why Joseph is increasingly steering clients away from traditional offshore havens.

Why Onshore Is the New Offshore

For decades, Caribbean and Middle Eastern jurisdictions dominated the offshore planning space. But banks are getting stricter, regulators are cracking down, and reputational risk has become a serious concern.

“My preference? The UK,” Joseph says, unapologetically.

That may surprise some, given the UK’s tax-heavy reputation, but Joseph makes a compelling case:

That may surprise some, given the UK’s tax-heavy reputation, but Joseph makes a compelling case:

01

The UK uses a narrow definition of “beneficial owner,” often shielding settlors and beneficiaries under its PSC rules.

02

Non-resident trusts in the UK don’t need to register or file with HMRC under most circumstances.

03

Properly layered with an insurance wrapper or underlying entity, some UK companies can even file as dormant, avoiding costly audits.

04

And most importantly, top-tier banks still welcome UK structures.

“Oh, and no wealth tax,” Joseph adds with a grin.

The Death of the Nominee Director

Among international entrepreneurs, Joseph sees another trend: the slow decline of nominee structures.

“For years, people relied on nominee directors or shareholders to hide ownership,” he says. “But today, that looks more like a liability than a shield.”

Banks flag it. Regulators challenge it. And under global disclosure regimes like FATCA, CRS, and the new OECD CARF rules, hiding behind proxies is becoming increasingly untenable.

Instead, clients are opting for protector-controlled trusts or private foundations. These structures provide both flexibility and transparency while allowing them to maintain control.

“If your strategy depends on secrecy,” Joseph warns, “you’re probably doing something wrong.”

Final Word: Don’t Just Plan for Wealth. Plan for Control.

In a world where algorithms know your net worth and governments can lock down entire economies overnight, Joseph’s core message resonates: Planning isn’t just about taxes. It’s about freedom.

> “You can’t afford to wing it anymore. The rules have changed. The world has changed. Your wealth plan should too.”

For families building legacies, entrepreneurs scaling cross-border ventures, and founders embracing mobility as a lifestyle, the future belongs to those who prepare, not panic.

And for those ready to think globally, act transparently, and plan with precision? That future looks bright - even if the passports are a little heavier.

08

From DIFC to Raffles Place: Indian UHNWIs Weigh Dubai Against Singapore

Shreya Rao

About Shreya Rao

Shreya Rao runs Shreya Rao & Associates, a boutique Indian law practice specializing in cross-border work and international tax and private client law.

The firm's clients include marquee Indian business families, entrepreneurs, and celebrities in addition to institutional clients. Prior to setting up her firm, Shreya spent nearly two decades as a tax partner and head of private client teams at Tier 1 law firms.

She has been recognised as amongst Asia's top 15 private client lawyers (Asian Legal Business, 2022) and a leading individual in the space by Chambers & Partners (Band 1) and Legal 500. Shreya is a certified Trusts & Estates Practitioner, an academician with TIAEL, and an ACTEC International Fellow. She is also an International Bar Association (Taxation Section) scholar, with a master's in law from Harvard Law School.

For India's ultra-high-net-worth individuals (UHNWIs), the decision between Dubai and Singapore as a base for trusts or family offices is nuanced. Both cities are attractive to the Indian wealthy, but the calculus goes beyond spreadsheets and statutes, and involves considerations of legacy, belonging, and the promise of a future that feels secure.

Breaking Old Perceptions

There was a time when Dubai was viewed with skepticism by Indian families. Concerns about political instability and religious restrictions lingered in boardrooms and family discussions. However, over the past decade, Dubai has rewritten its narrative and become more open. Some examples of measures that have made the city more welcoming include: the introduction of a Monday-to-Friday workweek, the removal of local ownership requirements, and the introduction of the Golden Visa. Indian families now see Dubai as a place where they can plant roots, not just park capital.

Singapore's Rising Bar

Singapore, on the other hand, has long enjoyed a reputation for robust governance and a sophisticated financial ecosystem. Its common law framework makes it a natural fit for trust structures, and its reputation for stability is unshakable. Yet, as the city-state tightens immigration policies and costs rise, some Indian families find the path to Singapore more challenging than anticipated. While experienced families navigate these hurdles, newcomers often rely on perception rather than research, making expert guidance essential.

The New Harbors

In a world increasingly concerned with transparency and substance, the allure of previously popular destinations like Mauritius and the BVI has waned. Indian families, particularly those focused on long-term legitimacy and multigenerational wealth transfer, now lean toward jurisdictions that offer a blend of regulatory strength and lifestyle appeal.

Singapore and Dubai, with their clear infrastructure and improving global reputations, are now frequently considered safer. Importantly, both cities allow families to physically establish presence, which is important from a tax perspective. However, subtle distinctions remain: Singapore's legal system is rooted in common law, making it more conducive for trust structures. Dubai, on the other hand, is still governed largely by civil law and only recognises trusts in the DIFC region. Whether a family is comfortable with this restriction depends on the specific needs of the family: how global they are and what their long-term priorities are.

Trust in the Details

The type of trust structure an Indian family adopts can vary widely based on their jurisdiction, objectives, and risk appetite. For resident Indian families, discretionary trusts are often preferred for offshore assets, assuming that the family is comfortable relinquishing control to a trustee. These trusts allow for flexible distributions among beneficiaries, in addition to being opaque from a tax perspective, with no tax consequences in India until distributions are made by the trust.

Families with members residing abroad, particularly in the US, often gravitate toward foreign grantor trusts, designed to meet U.S. tax obligations while retaining settlor involvement. Some global families also set up foundations in the UAE. However, foundations are not recognised in India, and the ambiguity around their classification as a company or trust can trigger unintended consequences. The kind of succession structure a family opts for will depend heavily on the family's long-term goals, risk exposure, and global footprint.

Legal, Tax, and Compliance Considerations

When Indian residents establish offshore trusts, whether in Dubai's DIFC or in Singapore, Indian tax law is important to consider. Discretionary trusts, when properly structured, are generally not taxed in India unless they are deemed Indian-resident entities or make distributions to Indian-resident beneficiaries. In contrast, revocable trusts are typically treated as extensions of the settlor. This means that any income generated is taxable in the settlor's hands. On the other hand, revocable trusts tend to allow settlors far greater comfort in terms of control over underlying assets.

The legality of trust settlements also hinges on compliance with India's foreign exchange regulations, which govern (for example) how and under what conditions assets can be moved offshore. It is therefore critical that advisors evaluate not just the host jurisdiction but also the Indian regulatory ecosystem.

In addition to legal and tax considerations, compliance requirements are also increasingly complex. With automatic information exchange under CRS (Common Reporting Standard) and stricter enforcement across jurisdictions, good |governance is non-negotiable. This means working with service providers who understand the cross-border terrain, not just legally but operationally. Multi-jurisdiction structures like discretionary trusts or foundations demand precision and proactivity. Mistakes, whether in timing, disclosure, or documentation, can carry significant reputational and financial costs. Further, with regulators collaborating more and leveraging technology in effective ways, information is being processed more efficiently, which makes high-quality compliance and the support of an experienced advisor all the more important.

No Room for Secrecy

India's regulatory stance on black money and undisclosed foreign holdings has sharpened in recent years. The message is clear: transparency is the new standard. In this environment, any structuring activity must be built to withstand scrutiny not just from one regulator, but from a web of interconnected authorities. Families are encouraged to move away from structures that rely on subterfuge and toward simple, clean, and well-governed structures that are fully compliant with applicable law and disclosure requirements.

Strategy Shapes the Choice Beyond Age

The choice between Dubai and Singapore is rarely driven by age, but rather by structure, familiarity, and vision. Older family members may feel at ease with Dubai's proximity and cultural resonance, while younger heirs might be drawn to Singapore's fintech ecosystem and global networks. But these are tendencies, not rules. More often, preferences are influenced by the intended use of the structure, whether it's for active investing, philanthropic deployment, or simple asset preservation. At the end of the day, both generations align on one thing: the need for robust, forward-thinking jurisdictional choices.

The Decade Ahead

As the lines between capital preservation, impact investing, and lifestyle planning blur, the question of "which jurisdiction is better?" becomes less relevant than "which is better for us?"

Singapore and Dubai will both remain critical nodes in the global wealth architecture for Indian families, but their strengths cater to different needs. Families seeking rigorous trust ecosystems, institutional credibility, and governance may favor Singapore. Those looking for operational ease, relocation flexibility, and a dynamic, tax-efficient environment may choose Dubai. The best approach is not to chase trends but to work towards a bespoke succession plan that is sensible, compliant, and that can evolve with a family's aspirations across generations.

09

Malta as Europe's New Wealth Magnet for Global Families

Dr. Giannella Barbieri

Malta as Europe's New Wealth Magnet for Global Families

About Dr. Giannella Barbieri

Dr. Giannella Barbieri LL.D is the founder of GB Legal, a boutique law firm in Malta dedicated to providing tailored legal services across corporate, commercial, tax, employment, and immigration law.

With a wealth of experience gained from leading a legal team at a prominent mid-tier firm, Dr. Barbieri has advised clients on complex matters such as mergers and acquisitions, company restructuring, regulatory compliance, and cross-border transactions. Known for her practical, client-focused approach, she is committed to delivering solutions that genuinely meet each client's unique needs. Beyond her legal expertise, Dr. Barbieri is passionate about empowering individuals and businesses to succeed, and she actively advocates for young women in business, encouraging them to pursue their ambitions with confidence and determination.

With the UK's remittance-based tax regime repealed in April 2025, families once anchored in London are re-evaluating where they can preserve privacy, protect their legacy, and manage tax exposure with confidence. Malta, a small island with a surprisingly expansive legal and financial toolkit, has emerged as a compelling alternative.

Tax Residency on Your Terms

Malta's appeal goes beyond its tax benefits. The island offers two standout pathways for third-country nationals: the Global Residence Programme (GRP) and the Malta Permanent Residence Programme (MPRP).

The GRP offers individuals the opportunity to establish residence in Malta while enjoying a flat 15% tax rate on income remitted to Malta with a modest annual minimum tax requirement. The Programme enables beneficiaries to reside in Malta without the need to spend the entire year there, as long as they do not spend more than 183 days in another jurisdiction within a calendar year.

The MPRP takes it a step further, offering permanent residence through a one-time contribution and qualifying property commitment - all without a minimum stay requirement or physical presence requirement. While the GRP offers tax residency with a favourable flat rate on remitted income, the MPRP provides a straightforward path to permanent residence in Malta with no ongoing tax obligations. It's an ideal solution for non-EU families looking to secure long-term residence rights while maintaining full flexibility over their global tax position.

Combined with EU and Schengen access, an English-speaking legal system, and high standards in education and healthcare, Malta stands out as lifestyle-compatible.

Where Wealth Stays Mobile

In a world where financial footprints span across continents, Malta's remittance-based tax system offers a rare simplicity and sovereignty. Under this regime, foreign-sourced income is only taxed if remitted to Malta, while foreign capital gains remain fully tax-exempt, even when brought in. This gives internationally connected families the freedom to keep their earnings and investments abroad without triggering Maltese tax, provided they manage the transfers effectively.

As other countries tighten their rules, Malta stands out as a reputable EU jurisdiction offering long-term stability, predictability, and a globally minded tax framework, making it a compelling choice for internationally connected families.

A Place Where Wealth Grows With the Family

For high-net-worth and ultra-high-net-worth individuals, Malta offers a favorable tax rate alongside a framework for multigenerational wealth planning that emphasizes stability, simplicity, and legal clarity. With no estate tax, gift tax, wealth tax, or formal inheritance tax, Malta allows families to preserve and transfer wealth efficiently, free from the erosion often seen in other jurisdictions.

This predictability supports strategic structuring of global income and assets through vehicles like trusts, foundations, or holding companies, all of which are well recognized under Maltese law. The result is a jurisdiction where thoughtful planning drives long-term benefit.

In 2025, Malta further reinforced its appeal with the creation of a Large Taxpayer Office, offering HNWIs and UHNWIs direct access to a single point of contact within the Malta Tax and Customs Administration. This supports faster resolution of tax matters and a more personalized, professional engagement with the authorities.

This way, Malta provides a system that favours those who plan, take proper advice, and structure their affairs responsibly, without relying on aggressive tax strategies.

EU Access, Without the Headache

For families whose lives and assets span continents, navigating cross-border tax can be a minefield. Malta, through a mix of national foresight and EU alignment, offers rare clarity. Its extensive double taxation treaty network ensures income isn't taxed twice, while unilateral relief mechanisms further reduce exposure to juridical and economic double taxation.

Layered onto this is the strength of Malta's EU membership. Through access to harmonized frameworks like the EU tax acquis and the newly adopted FASTER Directive that is set to streamline withholding tax relief on dividends and interest, Malta creates a fair playing field for cross-border investors. Add in tools like the EU's Dispute Resolution Directive, and families gain a reliable path to resolve tax conflicts with minimal friction.

Malta's tax system is designed to support families who think globally and value stability. For the internationally mobile, it is a bridge between jurisdictions, underpinned by fairness and transparency.

Why Malta Is Becoming a Home for Family Offices

Thinking beyond the next quarter and into the next generation reveals Malta as a destination with a compelling blend of structure, support, and substance. Its legal ecosystem is well-equipped for establishing trusts, foundations, and holding vehicles - core tools for modern family office planning. While compliance standards have become more robust, they are far from burdensome, and many see them as part of building a lasting, resilient framework.

What truly sets Malta apart is its targeted support for family-run enterprises. Through its legally backed Family Business Office, Malta offers practical incentives such as reduced stamp duty and cash grants. This helps smooth the path through succession, governance, and long-term planning.

For families seeking a jurisdiction that respects legacy while enabling evolution, Malta is proving to be a reliable partner.

The A to Z of Setting Up a Family Office in Malta

Establishing a family office in Malta is less about checking boxes and more about crafting a tailored ecosystem. The journey starts by defining what the office will do, whether it's simply holding assets or managing investments across generations. Once that vision is clear, families work closely with legal advisors to choose the right structure, which is often a mix of companies, trusts, or foundations. Each of them is selected to match long-term goals around governance and continuity.

Malta's flexibility allows for these structures to sit neatly under a single umbrella, with clear governance protocols, appointed directors or trustees, and professional advisors guiding compliance from day one. While regulatory scrutiny has grown, it's seen as a sign of maturity, not complication. Ensuring an appropriate level of substance (such as having a physical office, local decision makers, and core functions exercised in Malta) further reinforces the integrity and credibility of the family office set up. With proper planning, the setup process is straightforward, supported by a strong local network and a system built to handle complexity without friction.

Typical Setup Process:

01

Define the purpose and scope of the family office (single or multi-family, passive or investment-led).

02

Draft a family charter to establish values, roles, and long-term objectives.

03

Choose the legal structure (trust, foundation, company, or a hybrid setup) based on specific needs.

04

Appoint key roles such as directors, trustees, or administrators, and outline governance protocols.

05

Engage local professionals in legal, tax, and accounting to ensure full regulatory compliance.

06

Secure office space and infrastructure, including systems for reporting, risk management, and operations.

07

Ensure alignment with Malta's substance and governance standards.

How Malta Helps Families Shape Their Legacy

When it comes to managing wealth that spans generations and borders, families in Malta lean on time-tested, flexible structures - each chosen with intention.

Foundations are a go-to for those focused on succession planning and asset protection. With clearly defined statutes and an appointed administrator, they allow families to separate ownership from control while preserving long-term goals.

Trusts, especially familiar to those from common law backgrounds, offer another layer of adaptability. Backed by Malta's robust trustee framework, they provide a discreet, cross-border vehicle for holding assets, and, when structured carefully, can achieve tax neutrality.

When it comes to managing business interests or international investments, Maltese holding companies stand out for their tax efficiency, enabled by a full imputation system and participation exemption regime. With no withholding tax on outbound dividends, these entities help preserve value without unnecessary friction.

Where Family Offices Find the Right Partners

As family offices evolve from quiet custodians of wealth into dynamic engines of legacy and purpose, Malta has kept pace, quietly building a professional services ecosystem ready to meet them where they are. Legal and tax advisors, investment consultants, and trust specialists are not only deeply familiar with Malta's frameworks but increasingly fluent in the needs of globally mobile, multigenerational families.

The jurisdiction's legal foundations, drawing from both civil and common law traditions, support nuanced, tailor-made advice. And because family offices that serve only the family are largely exempt from licensing with the MFSA, the path to set up remains straightforward and efficient. Complementary structures like Professional Investor Funds (PIFs) and Notified PIFs (NPIFs) give families flexibility for investment management and co-investment strategies.

Add to this a tax environment that respects the purpose behind transfers, especially those tied to succession or philanthropy, and Malta begins to look less like a jurisdiction and more like an ecosystem. One that enables families to operate with clarity, act with intention, and build structures that last.

10

Tax: Is It the New Brexit?

Anna Warren

Tax: Is It the New Brexit?

About Anna Warren

Anna Warren is a Tax Director at Bentley Reid, where she advises high-net-worth individuals, trustees, and family offices on tax and estate planning.

A Chartered Accountant and Chartered Tax Adviser with over 17 years of international experience, Anna integrates technical expertise with a holistic approach to wealth management. Prior to joining Bentley Reid, she worked in KPMG's private client team - in London and later advised a prominent UK family office on multi-generational structuring. She is currently based in Hong Kong.

For decades, the UK offered a peculiar kind of promise to the world's wealthy: come live here, invest in our economy, and as long as you keep your money offshore, we won't tax it. It was the infamous non-dom regime, a system both admired and maligned, yet effective in attracting capital, talent, and trust.

Now, that promise has been revoked, and the consequences are becoming very real.

A Policy Born of Politics, Not Planning

Behind the abolition of the non-dom regime lies what many experts interpret as a politically motivated manoeuver, rather than a considered economic reform. The government's desire to project fairness and simplicity in the tax system may resonate with domestic voters, but it sends a very different message to wealthy internationally mobile individuals and institutions.

Evidence of capital flight is already surfacing. Wealth managers report rising inquiries from clients seeking to leave the UK, restructure assets, or establish roots elsewhere. With quiet conversations already circulating in Westminster about potentially revisiting some of the harsher aspects, particularly the ten-year inheritance tax tail, it would seem that policymakers are potentially anticipating some backlash and possible damage control ahead.

Losing Ground to Global Competitors

In today's increasingly competitive global tax landscape, the UK is beginning to look like an outlier for the wrong reasons. Jurisdictions like Dubai, with its zero income tax and fast-track residency schemes, are positioning themselves as havens for capital. Singapore continues to attract with its transparency, low tax rates and consistent policy environment. Switzerland, although no longer as secretive as in decades past, still offers its forfait regime for wealthy foreigners, a system rooted in predictability.

By comparison, the UK is beginning to look unstable. The erosion of the non-dom regime, combined with the introduction of a ten-year inheritance tax tail and ongoing regulatory shifts, has significantly weakened the country's standing in the global competition for capital. Wealth planners note that the UK is rapidly losing its appeal as a long-term base for wealth structuring.

Moreover, unpredictability is itself a form of tax. For high-net-worth individuals who prioritise clarity and consistency, the risk of further reactive policy changes creates a disincentive to commit. Once trust in a legal and fiscal framework is lost, the reputational damage can outweigh the technicalities of any single reform.

The Economic Ripple Effect

This isn't just about the ultra-wealthy swapping Mayfair for Monte Carlo or moving family trusts to Geneva. The impact is rippling through the broader UK economy, from high-end property markets and private schools to luxury retailers, art dealers, venture capital firms and the wider network of legal and financial advisors that supports global wealth.

The reputational risk is mounting. Once a jurisdiction is perceived as hostile to wealth, regaining the confidence of internationally mobile families becomes a long and uncertain process. It's becoming a question of long-term trust in the system.

High-value real estate transactions, often a bellwether of international investor sentiment, are beginning to slow. At the same time, private equity and venture firms, which have traditionally used the UK as a base for operations and capital raising, are reassessing their presence. The danger is not only the departure of individual clients, but a compounding cycle: reduced capital inflows lead to greater fiscal strain, which in turn can trigger further tax reforms, deepening the exodus.

The Shift in Structures

Behind the scenes, a planning boom is underway. Wealth structuring professionals are seeing a sharp rise in demand for family investment companies, trust arrangements, asset segregation and minority interest discounting - strategies designed to preserve capital amid a less hospitable tax environment. Intergenerational gifting, previously treated as a longer-term consideration, is now being accelerated as families seek to get ahead of further reforms.

In private equity and hedge fund circles, the restructuring is more than symbolic. Fund managers are actively redomiciling general partner and carried interest structures to jurisdictions such as Luxembourg and the Channel Islands. For many, personal relocation is also on the table, driven by the need for long-term stability and favorable treatment of investment income.

Entrepreneurs, particularly those nearing a business exit, are also responding decisively. A growing number are willing to become non-UK residents for multiple years to reduce their exposure to capital gains and inheritance tax. The overall tone of planning has shifted from cautious and speculative to urgent and preemptive. What was once a set of isolated responses is now shaping into a broader repositioning of how and where wealth is managed.

'The UK is Now Complicated'

Among family offices and international investors, the shift in sentiment is now undeniable. What was once considered a cornerstone jurisdiction for wealth management, legal domicile and philanthropic infrastructure is increasingly being viewed through a lens of caution and complexity. The UK is now more often described in advisory circles as complicated and volatile - a marked change from just two years ago.

Contingency planning has moved from the margins to the mainstream. Family offices are actively exploring alternative jurisdictions not only for tax efficiency but also to future-proof their legacy strategies against further policy unpredictability. In many cases, capital is not being withdrawn outright, but it is no longer being reinvested with confidence.

This climate of uncertainty is also reaching areas previously considered immune to fiscal or political turbulence, including philanthropy and ESG initiatives. Some wealth holders are choosing to establish charitable foundations offshore to avoid new compliance burdens, while others are scaling back or redirecting impact investments that were previously anchored in UK-based causes. As regulatory friction increases, long-term commitment begins to erode.

A Glimmer of What Could Be

The question now is not whether the UK can regain confidence, but how quickly it can act to prevent further erosion. Advisors on the frontlines are calling for a pause in the ongoing legislative churn and advocating for a more durable, globally competitive framework to attract and retain international wealth.

Their recommendations are pragmatic. Many support extending the foreign income and gains exemption for new arrivals from four to ten years, potentially introducing a graduated charge after the fourth year to balance flexibility with revenue needs. Others argue for repealing the ten-year inheritance tax tail and reinstating the previous three-year rule, which aligned more closely with international norms. Most critically, there is a broad call for policy stability, a break from short-term tinkering in favor of a predictable environment where long-term planning can once again take root.

Progressive taxation and global competitiveness are not mutually exclusive. But they require a clear, consistent approach is something the UK currently lacks, just when clarity is most needed.

CONCLUSION

The UK didn't just scrap a tax regime, it dismantled a tacit contract with the world's globally mobile elite. That unwritten understanding promised stability, clarity, and respect for long-term planning in exchange for investment and presence. Without a credible path to restoring that trust, Britain risks more than just capital outflows. It stands to lose its status as a premier global wealth hub in an era where mobility is not merely a privilege, but a defining expectation.

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Inside the Tax Strategies of Brazil’s HNW Families

Victor Sarfatis Metta

Inside the Tax Strategies of Brazil's HNW Families

About Victor Sarfatis Metta

Victor Sarfatis Metta is a tax attorney with Rosenthal e Sarfatis Metta Advogados in São Paulo, Brazil. For over 20 years, he has advised families and businesses in navigating the ever-changing legal challenges of Brazil with an out-of-the-box mindset.

In Brazil and across Latin America, the conversation around wealth is shifting away from secrecy, toward strategy. For decades, discretion and offshore privacy were enough to protect family fortunes. In today's world of global transparency and reform, the region's high-net-worth individuals (HNWIs) are finding that sustainable wealth preservation demands something else: foresight, flexibility, and a willingness to evolve.

The Common Reporting Standard (CRS) and FATCA marked a turning point. Introduced in the mid-2010s, these frameworks made it virtually impossible to hide undeclared offshore holdings. In response, HNWIs began restructuring their financial lives - not just to remain compliant, but to future-proof their legacies. Reassessing tax residency has become a cornerstone of that process.

Yet, the adjustment hasn't been smooth for everyone. Among Brazilian families, there are recurring blind spots: overlooking mandatory heirship rules, underestimating the impact of weak currency on new annual offshore taxation, and neglecting governance within family businesses. These gaps are particularly costly in an environment where the ground is shifting underfoot.

The Complex Path of Reform

Brazil's tax environment has always been intricate, but recent and proposed reforms are adding new layers of complexity. A sweeping overhaul launched in 2024 is introducing a dual VAT system (CBS and IBS), with rates that could become the highest in the world. The transition will take seven years, suggesting a prolonged period of uncertainty and adjustment.

In parallel, proposals to tax dividends and increase levies on fixed-income investments are moving through Congress. If passed, they would come into effect by 2026, adding new pressure on private clients already navigating the fallout of annual offshore taxation. The combination of these changes is forcing families to rethink long-term strategies and explore mitigation options now, before the rules harden.

Going Global, With Caution

The appetite for international diversification is growing. Brazilian investors are increasingly allocating capital offshore, not just for returns, but as a buffer against domestic volatility. While certain investment funds offer protection from local tax hikes, a tailored approach remains essential. Families are turning to legal structures that suit their unique risk profiles and estate goals.

This shift isn't limited to asset allocation. Countries like Uruguay and Paraguay are gaining attention both as investment destinations and as options for alternative residency. Each jurisdiction carries its own set of advantages and trade-offs, and the decision often hinges on personal values as much as tax efficiency.

Succession in a New Era

Succession planning is also evolving. For domestic assets, families are formalizing ownership through holding companies, backed by robust shareholder agreements. This governance layer ensures smoother intergenerational transfers and better internal alignment. Offshore assets, in contrast, offer greater flexibility because they are exempt from Brazilian estate laws, though they still require thoughtful structuring.

Political instability and macroeconomic uncertainty continue to play a catalytic role. Whether driven by fears of capital controls or the threat of wealth taxation, families are acting with greater urgency. There is a strong emphasis on locking in favorable regimes, hedging against currency depreciation, and building resilience through geographic diversification.

New Tools And Mindsets

Instruments like offshore trusts and life insurance are gaining ground. Trusts provide control and clarity in estate planning. Life insurance, while less obvious at first glance, is becoming a favored tool for tax optimization. Foundations, however, remain underused, likely due to the absence of compelling tax incentives in the Brazilian context.

Cross-border families, particularly those with ties to Europe or the U.S., face a different set of challenges and opportunities. While local reporting obligations can be burdensome, these families are often better positioned to take advantage of global benefits, including favorable estate structures and residency shifts. Generational dynamics play a key role here; younger family members are typically more mobile, allowing for more agile planning.

What Next-Gen Leaders Need to Know

For Brazil's rising generation of wealth holders, the mandate is clear. The top priority is staying attuned to shifting paradigms without losing sight of enduring principles. What worked in the past may no longer suffice, but time-tested wisdom still has value.

The second is diversification: geographic, strategic, and ideological. Relying too heavily on any single country, especially one with fiscal strain, is no longer viable.

Finally, families must prioritize continuity, not just in structure, but in culture. Preparing heirs to lead, contribute, and carry the family vision forward is just as critical as any tax planning mechanism.

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Cyprus: Europe's Powerhouse for Global Wealth

Andria Andreou

Cyprus: Europe's Powerhouse for Global Wealth

About Andria Andreou

Andria is Managing Director at Bolder Group, Cyprus, and a dual-qualified lawyer admitted to the Law Society of England & Wales and the Cyprus Bar Association.

With extensive experience in corporate and commercial law, tax planning, wealth management, and cross-border trust and directorship services, she also advises on regulatory and business opportunities in the hemp, CBD, and medicinal cannabis sectors.

Recently recognized as one of Cyprus's notable women leaders, Andria is known for her proactive, solution-driven approach and commitment to building lasting relationships with clients and stakeholders.

In a world where geopolitical tension, regulatory scrutiny, and rising tax burdens are reshaping how wealth is preserved, Cyprus has emerged as one of the most compelling destinations for high-net-worth individuals (HNWIs) and global families seeking not only tax efficiency but legal certainty, stability, and long-term strategic value.

As a bridge between East and West, Cyprus is actively leveraging its geographic location, EU status, and robust legal framework to offer a hybrid model of structuring: credible, compliant, yet efficient. It is the rare jurisdiction where old-school discretion meets next-gen innovation.

A Jurisdiction Built for a Shifting World

Cyprus's position at the crossroads of Europe, Asia, and the Middle East gives it more than symbolic value; it offers tangible, tactical advantages for those navigating global wealth planning. It also offers:

01

EU & Eurozone

EU membership and Eurozone access without the bureaucracy of larger member states

02

12.5%

A 12.5% corporate tax rate, among the lowest in the EU

03

No Tax

No tax on most foreign dividends, capital gains, or interest income

04

Tax Treaties

Over 65 double tax treaties, including with the UK, India, China, UAE, South Africa

05

0% Investment

A 60-day tax residency rule with Non-Dom status; 0% on global investment income for 17 years

For entrepreneurs and family offices looking to future-proof wealth across generations and jurisdictions, Cyprus offers a legal and financial ecosystem designed for mobility, discretion, and long-term control.

Tax Planning That Aligns with Reputation

Cyprus doesn't offer secrecy; it offers strategic transparency. Fully compliant with EU anti-money laundering directives, the OECD's BEPS framework, and FATCA/CRS reporting, Cyprus balances legitimate privacy with global respectability.
In an era of reputational risk, this makes all the difference.

Where other jurisdictions are overcorrecting, Cyprus walks the line: with a central UBO register, reporting under the Directive on Administrative Cooperation , and full AML controls, it remains protective without being punitive. The ability to use trusts, Non-Dom residency, and holding companies, while remaining fully onshore, is a draw few can match.

The Non-Dom Advantage

Cyprus's Non-Domicile regime stands out as a transformative option for high-net-worth individuals seeking long-term strategic clarity. More than just a tax break, the regime reflects a broader vision of Cyprus as a home for globally minded families - those who want to safeguard their capital, maintain reputational integrity, and retain the freedom to live and invest across borders.

Cyprus's Non-Dom regime offers an unparalleled 17-year exemption from taxes on foreign-sourced income: dividends, interest, and capital gains. For eligible individuals, it enables an elegant solution to personal tax planning that doesn't require full relocation or compromise on lifestyle.

To qualify, two key criteria must be met:

01

Become Cyprus tax residents (either by spending 183 days or via the 60-day rule)

02

Not have been a tax resident in Cyprus for at least 17 of the past 20 years

Once in place, this regime exempts:

01

Dividends and interest from any jurisdiction

02

Rental income from abroad

03

Capital gains outside Cyprus

04

Remittances brought into Cyprus

Crucially, all of this is achieved within the framework of a fully EU-compliant jurisdiction, with no aggressive tax structuring or reputational risk.

This is especially attractive to:

01

Founders and investors with globally diversified portfolios

02

Entrepreneurs receiving dividends from foreign holding companies

03

Families relocating from high-tax jurisdictions like the UK, Germany, France, or South Africa

In practice, it's a regime that empowers mobile wealth holders to maintain financial agility while anchoring their structure in a secure, stable, and sophisticated jurisdiction.

Holding Companies and Trusts

Cyprus has become a preferred jurisdiction for building long-term, resilient wealth structures, especially for families seeking both legal sophistication and operational efficiency. At the heart of this appeal lie two foundational vehicles: Cyprus holding companies and Cyprus International Trusts (CITs). These tools are not only widely used but increasingly deployed in tandem to create holistic, EU-compliant strategies tailored to today's complex wealth management needs.

01

Cyprus Holding Companies

come with 12.5% corporate tax, 0% tax on most dividends and capital gains, full access to DTTs, and cost effective substance requirements. Ideal for private equity, IP holding, and international group structuring.

02

Cyprus International Trusts (CITs)

offer asset protection, flexibility in succession planning, and confidentiality without public registration. Widely used to separate ownership and control across generations.

The most popular configuration among global families is to hold a Cyprus Holding Company within a Cyprus International Trust. This offers both intergenerational control and tax efficiency under one unified, EU-compliant structure.

Cost-Efficiency Meets Investor Comfort

While many EU jurisdictions deliver robust legal frameworks, few can match Cyprus's unique combination of affordability, structural flexibility, and reputational clarity, particularly for entrepreneurial families and emerging wealth.

Compared to jurisdictions such as Malta, Luxembourg, or Ireland, Cyprus consistently delivers high structural value without excessive overhead:

01

Company setup costs in Cyprus typically range from €2,000 to €3,000, compared to €10,000+ in Luxembourg, with annual maintenance often less than half. Setting up a Cyprus International Trust (CIT) is also relatively cost-effective, averaging around €6,000, making it an accessible option for families seeking robust succession planning.

02

Legal, accounting, and fiduciary services are sophisticated yet cost-efficient, supported by a multilingual professional ecosystem well-versed in international family needs.

03

Substance requirements (now a global standard) can be met efficiently, thanks to Cyprus's educated talent pool, business-friendly regulations, and realistic infrastructure costs.

Strategically, Cyprus's IP Box regime further enhances its attractiveness. With an effective tax rate of just 2.5% on qualifying IP income, it offers a compelling advantage to innovation-driven businesses, founders, and family offices managing intellectual property portfolios.

Unlike over-engineered jurisdictions where regulatory complexity can hinder agility, Cyprus offers clarity. Structures are straightforward to establish, administer, and evolve, allowing families to remain nimble as their priorities shift across generations.

In short, Cyprus meets the gold standard for EU compliance while avoiding the bureaucratic density and cost burden of older wealth hubs.

Governance, Succession, and Intergenerational Legacy

In an increasingly globalized world where family wealth spans generations, jurisdictions, and cultures, effective governance and succession planning are becoming essential. Cyprus rises to this challenge with a sophisticated legal and fiduciary framework that empowers families to preserve, protect, and pass on wealth in ways that reflect their values, traditions, and long-term vision. The country's trust and estate planning toolkit is deeply rooted in common law principles, offering:

01

Robust, flexible trust structures that can incorporate protectors, family councils, advisory boards, letters of wishes, and milestone-based distribution schedules.

02

The ability to bypass forced heirship provisions, a critical advantage for families with members in civil law or Sharia-influenced jurisdictions such as France, the UAE, or Saudi Arabia.

03

Zero estate, inheritance, or gift tax, enabling tax-neutral intergenerational transfers and lifetime giving.

Cyprus International Trusts (CITs), in particular, have become the cornerstone of long-term family stewardship. These vehicles allow settlors to retain certain powers where appropriate, appoint protectors to oversee trustee decisions, and map succession across generations with legal precision and cultural sensitivity.

Crucially, Cyprus is a signatory to the Hague Convention on the Law Applicable to Trusts, ensuring that CITs are widely recognized and enforceable across both common and civil law jurisdictions, making them a vital safeguard for globally mobile families.

Beyond structural advantages, Cyprus enables the institutionalization of family values. Trusts and holding structures can be layered with governance mechanisms such as advisory boards, philanthropy mandates, or family charters that codify vision and align next-generation participation. This way, Cyprus helps transform succession from a legal process into a living legacy.

Lifestyle Migration and Sovereign Flexibility

Cyprus's appeal is rooted in a suite of residence and tax pathways designed not only to welcome capital but to cultivate continuity for families seeking security, education, mobility, and generational longevity.

Essentially, there are two pathways to residency:

01

Permanent Residency by Investment (Category 6.2):

With a minimum €300,000 investment in qualifying real estate or business ventures, families can obtain permanent residency in as little as 2–4 months. The program is notably efficient and inclusive, covering spouses and dependent children, and requiring only minimal physical presence (one visit every two years), making it ideal for globally mobile households.

02

60-Day Tax Residency Rule:

Cyprus uniquely offers a 60-day tax residency regime, enabling individuals to become tax residents without full-time relocation, provided they maintain business ties, do not reside elsewhere, and fulfill basic physical presence requirements. This framework grants access to Cyprus's powerful Non-Dom regime, creating a bridge between mobility and tax optimization.

Beyond legal benefits, Cyprus offers a quality of life that resonates deeply with globally minded families: world-class healthcare, English-speaking educational institutions, high safety standards, and a Mediterranean lifestyle that blends cultural richness with ease of living.

ESG and Digital Assets

The investment philosophies of modern wealth are no longer defined solely by returns, but increasingly by impact, innovation, and alignment with personal values. Cyprus, with its adaptive legal infrastructure and EU-aligned regulatory environment, has positioned itself as a fertile ground for capital that is both purposeful and progressive.

Families aren't just preserving wealth, they're investing with purpose. Cyprus enables this with:

01

ESG-focused investment vehicles: AIFs, RAIFs, and green tech incentives

02

Legal clarity for digital assets: MiCA-ready, FATF-aligned, and supportive of tokenization

03

IP Box for tech innovators: 2.5% effective tax (subject to certain conditions being met)

Consider the case of a Latin American family office structuring a strategy around clean energy, tokenized carbon credits, and digital sustainability platforms.

By housing a Cyprus trust atop a Cyprus holding company, they can:

01

Invest in solar projects across Africa and Eastern Europe

02

Co-invest in ESG-aligned private equity through a Cyprus RAIF

03

Receive dividends from DeFi protocols via a regulated crypto vehicle

All while benefiting from 0% taxation on foreign-sourced income and full EU legitimacy. In this way, Cyprus empowers families to mobilise their wealth with meaning.

The Smartshore Advantage

In the evolving lexicon of global wealth planning, a new term has emerged to capture the essence of jurisdictions that balance credibility with agility: ‘smartshore.’ Cyprus is emblematic of this transformation, which is attributed to its ability to offer compliant and cost-effective solutions within a fully transparent legal framework. It is a platform that enables families to build legacy structures that evolve with generational priorities and withstand the scrutiny of regulators, counterparties, and society at large.

Five Overlooked But Critical Success Factors

01 Substance

Demonstrable economic presence is no longer optional. Cyprus offers a cost-effective pathway to meet global substance requirements with legitimate office space, personnel, and management functions.

02 Banking

While domestic options exist, many families pair Cyprus structures with Swiss, Luxembourgish, or other EU banking relationships to align compliance with operational flexibility. Cyprus serves as a legal and tax anchor, while funds are often custodied with internationally recognized institutions that offer multi-jurisdictional access and institutional-grade services.

03 Generational Fit

The long-term success of any structure depends on buy-in from next-generation stewards. Cyprus’s blend of quality education, safety, and cosmopolitan lifestyle appeals to future inheritors.

04 Succession Mechanics

Robust governance requires more than a trust deed; it demands thoughtfully layered provisions, protectors, and cross-border coordination to ensure continuity and legal durability.

05 Strategic Use

Beyond tax advantages, families increasingly use Cyprus as a launchpad for broader aspirations such as educational hubs, philanthropic vehicles, or regional headquarters that reinforce their global footprint.

Final Words

Looking back, one can conclude that the era of short-term structuring is over. Those who act decisively, anchoring their strategies in jurisdictions built for both today and tomorrow, will be best positioned to lead. For these individuals, Cyprus offers something rare: a jurisdiction with the credibility and composure to sustain a legacy.

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How We're Using AI to Solve the Tax Headache

Nikhil Chouguley

About Nikhil Chouguley, FCCA

Nikhil Chouguley is the founder of Resident Tax, a platform that simplifies tax residency compliance for frequent travelers.

Previously, he was the Global Chief Operating Officer at Citibank, where he built and managed international teams, developed ESG data platforms, and drove innovation. A senior banker with a 23 years + career in European financial services, Nikhil is also active in industry working groups, public speaking, and advancing best practices in regulation, product development, and financial technology.

After two decades advising clients and building wealth solutions at Citi, Deutsche Bank, and Barclays, I grew used to the phrase: "Computer says no." Whether I was filling out rigid travel logs as a C-suite banker or helping founders navigate the tax treatment of international equity packages, the process was always painfully manual, fragmented, and out of step with modern life.

The system wasn't broken, but it was clearly outdated. The tax residency model most professionals still rely on today was designed for a world with borders, not for a generation that builds companies on planes, holds board meetings across three time zones, and raises families across continents.

Frustration Turned Into Function

Resident Tax was born out of this friction. I was manually tracking travel history across platforms while watching clients get blindsided by audits and penalties for years of unknowingly incorrect residency classification. What should be a straightforward calculation to define where someone is legally "resident" had become a compliance nightmare.

In many large firms, tracking this information is still a full-time job for someone, often a personal assistant managing calendar entries across jurisdictions. Entire workflows exist just to count days and get it right. It's slow, error-prone, and expensive.

That's how I saw an opportunity to build something better. Resident Tax automates residency tracking using GPS data, AI, and embedded global tax law - all within a simple and secure app. It generates real-time, audit-grade reports that help individuals and companies stay compliant without lifting a finger. For many of our clients, that means eliminating the need for several full-time staff. We're saving them hundreds of hours and helping them avoid six-figure mistakes.

A Universal Pain Point

What's striking is how universal the problem is. Whether I'm speaking with a law firm managing cross-border clients, a startup scaling remote teams, or a multinational relocating executives, the foundational question is always the same: Where is this person actually resident for tax purposes?

Once that compliance layer is solved, the next challenge emerges: optimization. That's where our AI Auto-Pilot comes in, calculating personal tax liabilities, including income, capital gains, and inheritance tax, across multiple jurisdictions. We're currently expanding the engine to handle corporate tax strategy as well, helping global entrepreneurs decide where to base their businesses, not just their lives.

The Hidden Rock of Compliance

The mismatch between locally enforced tax rules and globally mobile lifestyles is growing sharper by the year. Tax authorities are no longer playing catch-up. They're quietly collecting entry-exit data, banking records, and offshore account details through frameworks like CRS and OECD directives. Clients are increasingly blindsided by penalties on unpaid taxes going back five or even ten years, often amounting to six-figure sums.

Having reliable, transparent, and legally robust day-counting records is now a prerequisite for any internationally mobile executive, founder, or family office. In this instance, Resident Tax doesn't just help users stay compliant, but it also provides peace of mind in an increasingly high-stakes environment.

The Coming Storm

We're entering an era where tax residency is becoming a highly politicized and strategically contested domain. As fiscal pressures mount, more governments are expected to explore citizenship-based taxation (CBT) models, echoing the U.S. approach under FATCA, to curb outbound mobility and retain taxing rights over their globally mobile citizens. Digital nomads, once a lightly regulated curiosity, will face mounting scrutiny, especially as they maintain ties to their country of origin.

At the same time, technology offers us a way forward. By building tools that make tax residency transparent and intelligent, we can protect individuals while helping regulators get the data they need. That's why we're working closely with experts at Multipolitan to expand our solutions for digital nomads, integrating tax strategy with visa and residency planning in a single system.

Global Architecture for a Global Client

We chose to build out of London, not only for its legal and financial pedigree, but because it remains a hub where culture, capital, and compliance converge. Our leadership and tech team are based there, while AI and cybersecurity teams sit across Barcelona, Amsterdam, and Munich. Our client service team operates from India, delivering real-time support to users in more than 80 countries.

This distributed structure mirrors the nature of our users: hedge fund managers, crypto founders, actors, academics, and retired bankers who live transnational lives. They need tools built for the way the world actually works, not the way tax codes think it does.

Privacy by Design

Our currency is professional trust, and privacy sits at the heart of everything we do. Given the highly sensitive nature of geolocation data, we made a deliberate architectural choice: Resident Tax has no backend server. App-generated data never leaves the user's personal device or their secure iCloud/Google Drive storage. Nothing is transmitted, nothing is stored externally, ensuring 100% data privacy by design.

We're fully registered with the UK Information Commission Office and compliant with GDPR, but beyond regulatory boxes, our architecture reflects a deeper belief: tax tech should empower users, not surveil them. In an age of growing digital exposure, our goal is to give individuals full control, complete transparency, and absolute confidence in the tools they use.

Where Tax Intelligence Is Headed

Ultimately, we don't see ourselves as just a consumer-facing app. Resident Tax is building the infrastructure layer for international tax compliance, one that can embed within law firms, wealth managers, immigration consultancies, and fintech platforms. By handling 80% of the prep work (data collection, client Q&A, compliance analysis), we let human advisors do what they do best: make judgment calls and add strategic value.

We're also pushing forward with new AI models that transform tax law into real-time, tailored outputs. Our Auto-Pilot calculates tax burdens across jurisdictions using Large Language Models (LLMs), but we're now developing Large Relational Models (LRMs) to go even further, mimicking the decision logic of trained professionals.

The vision is simple: no more clunky PDFs, endless forms, or vague uncertainty about where you stand. From submitting W8-BEN forms in the U.S. to registering A1 forms in Europe, Resident Tax will soon be able to do it all - quickly, securely, and intelligently.

In the future, the truly global citizen won't just need a second passport. They'll need a second brain, and that's what we're building.

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How Singapore Emerged as the Top Destination for Indian Family Offices

Nandini Navale

About Nandini Navale

Nandini Navale is a Partner in the Wealth & Asset Management practice at EY, Singapore. Nandini is a lawyer and certified Family Office, Philanthropy, and Compliance professional with extensive experience in the Private Equity and Private Wealth sectors. Nandini serves as an advisor to asset managers on MAS licenses, fund formation, regulatory reporting, and compliance. She specializes in assisting high-net-worth families in establishing single-family offices (SFOs) in Singapore, navigating - structural and regulatory landscapes both onshore and offshore, particularly in India. As an Integrated Advisor, she manages the entire SFO lifecycle, focusing on wealth structuring, preservation, succession, estate & legacy planning, and philanthropy. She is a champion and advocate for Diversity, Equity, and Inclusion (DEI), showcasing her commitment through active engagement throughout her career.

The growth of Single-Family Offices (SFOs) in Asia has placed Singapore at the center of global wealth planning. Known for its regulatory clarity, tax incentives, and strategic location, the city-state continues to attract families looking to institutionalize their wealth and plan for the long term. Indian-origin families, in particular, are increasingly choosing Singapore, not only for financial reasons but also for its cultural familiarity and quality of life.

To better understand the key drivers behind this trend, as well as the regulatory, legal, and generational considerations involved, we sat down with Nandini Navale, an experienced advisor who has worked closely with global and Indian HNW families on cross-border structuring, MAS licensing, and family office strategy.

QUESTION

Singapore continues to be a magnet for global wealth. What makes it particularly attractive for setting up Single-Family Offices (SFOs), especially for Indian-origin families?

Singapore has indeed become the top choice for Single-Family Offices (SFOs), for global and resident Indians and Indian business families. The most obvious reasons being political stability, a well-developed tax, legal, and regulatory framework, and a financial services sector offering a wide range of varied, bespoke, and sophisticated investment products and wealth management solutions.

Singapore's strategic location as a gateway to Asian markets opens solid investment opportunities in rapidly growing economies, allowing families to diversify their portfolios effectively. With a focus on innovation and technology, there are plenty of cutting-edge investment opportunities, especially in sectors like fintech and biotech, both locally and regionally.

Particularly, for Indian-origin families, there's a strong cultural connection. The vibrant Indian community here makes it feel like home, with familiar festivals & cuisine, community, and supportive networks that help with integration.

The quality of life in Singapore is another big draw, with safety and excellent healthcare making it a great place to live.
And let's not forget about education - Singapore is home to world-class institutions.

With its proximity to India, Singapore really stands out as the ideal location for Indian-origin families looking to establish and manage their Single-Family Offices, blending financial benefits with a welcoming community and lifestyle.

QUESTION

Given your deep work with Indian HNW families, what are the biggest legal and structural challenges when migrating wealth from India into an SFO framework in Singapore?

One of the primary challenges is navigating the Foreign Exchange Management Act (FEMA) and regulatory restrictions in India, particularly in terms of foreign exchange laws, outward remittance of funds, which could complicate the process of moving funds and people abroad. Families must ensure compliance with these regulations to avoid penalties and negative publicity.

Tax implications also play a crucial role in this migration process. Indian families need to consider the tax liabilities associated with transferring assets, including potential capital gains tax and wealth tax. Additionally, understanding the tax treaties between India and Singapore is essential to optimize tax efficiency and avoid double taxation.

Structurally, establishing an SFO in Singapore requires careful planning and cross-border implications. Families must decide on the appropriate structure for their SFO, whether it be a private limited company, a trust, or another entity type. Each structure has its own legal implications, governance requirements, and compliance obligations that must be thoroughly understood.

Another challenge is ensuring that the governance framework of the SFO aligns with the family's values and objectives. This includes Singapore substance and having the right persons on the ground in Singapore - defining roles and responsibilities, establishing a clear investment strategy, and implementing robust compliance and risk management processes.

Lastly, there may be emotional and familial dynamics at play, as wealth migration often involves multiple family members with differing views on investment strategies and governance. Addressing these dynamics through effective communication and planning is vital to ensure a smooth transition.

Overall, while the migration of wealth from India to an SFO framework in Singapore presents opportunities, it also requires careful navigation of legal, tax, and structural challenges to ensure a successful outcome.

QUESTION

What are the most significant tax benefits available in Singapore to SFOs?

There are more than 2000 SFOs in Singapore today, and over a period of time, the tax environment has developed as well. The 13U and 13O tax incentives in Singapore provide significant tax concessions aimed at attracting fund managers and SFOs. The 13U scheme offers a 10% concessionary tax rate on qualifying income, allowing fund managers to enhance returns while minimizing tax liabilities. Meanwhile, the 13O scheme grants tax exemptions for qualifying offshore funds, enabling single-family offices to manage investments without local taxes on offshore income.

Additionally, Singapore offers favorable tax treatment on multiple counts – capital gains and dividend income are typically tax-free for both individuals and companies; interest income earned by individuals is tax-exempt too, estate duty exemptions, philanthropy tax incentives, and various concessions and grants, thereby enhancing investment appeal and shareholder returns.

Together, these incentives create a dynamic investment environment for setting up a Family office here.

QUESTION

You've advised on MAS licensing and fund formation for asset managers. How has regulatory scrutiny evolved in Singapore, and what should new entrants be most mindful of?

I've been closely involved with the Monetary Authority of Singapore (MAS) for over a decade, and I've witnessed a significant transformation in their approach.

Regulatory scrutiny has certainly intensified. The regulators are conducting a much more detailed and meticulous review of applications, with a strong focus on KYC (Know Your Customer) and AML (Anti-Money Laundering). They are looking into the track record of professionals, the investment policy and focus, and plans for building a robust and professional team. Substance in Singapore, business plans, implementation strategy, governance, and compliance are all factors under the spotlight. For new entrants, it's crucial to be mindful of these evolving expectations. Ensuring that your application is thorough and well-prepared can make a significant difference in speeding approvals and navigating this more rigorous regulatory landscape.

QUESTION

With the growing emphasis on transparency and global tax compliance, how do you balance confidentiality with regulatory obligations when structuring cross-border assets?

Balancing confidentiality with regulatory obligations in cross-border transactions is a nuanced challenge. While clients value privacy, the emphasis on transparency and compliance with global tax regulations is crucial. I would prioritize open communication to help clients understand the importance of compliance while safeguarding their sensitive information through robust confidentiality and security measures. Of course, information is always to be shared on a need-to-know basis, ensuring that only those directly involved in the process have access to pertinent details. This approach not only protects client confidentiality but also streamlines communication, allowing for more efficient decision-making while maintaining compliance. Ultimately, it's all about fostering trust that allows clients to feel secure in sharing their information, knowing we are committed to both their privacy and legal compliance.

QUESTION

Estate and succession planning are becoming urgent priorities in Asia. What mistakes do you most commonly see families make - and how can they be avoided?

Estate and succession planning are becoming increasingly crucial conversations given the imminent great global inter-generational wealth transfer. In many Asian cultures, discussing wealth, inheritance, and family dynamics can be considered taboo. There is often a strong emphasis on filial piety and respect for elders in Asian cultures.
Younger generations may feel hesitant to broach sensitive topics.

Families must create comprehensive succession and legacy plans covering asset preservation, distribution, and governance to reduce the likelihood of family disputes. Documenting wishes clearly, appointing trusted family counsels, trustees, and guardians for minors are all points to consider. This is probably where the role of an independent, trusted advisor and non-family member takes prominence.

Another frequent oversight is neglecting tax implications, which can reduce the estate's value during asset transfer. Early tax planning can help mitigate these liabilities. Lastly, lack of communication among family members can create misunderstandings; regular discussions about the estate plan can foster unity and clarity. By addressing these issues, families can navigate estate planning more effectively.

QUESTION

You speak often about the importance of integrated advisory. How does bringing philanthropy and legacy planning into the same conversation as tax and compliance shift the outcome for a family?

The role of the Integrated Advisor (IA) or the Expert Generalist, as folks in the SFO circles often refer to, is gaining prominence. The IA fosters collaboration among various specialists, ensuring that all aspects of a family's financial and values landscape are aligned. This coordination should lead to more informed decision-making and cohesive plans that address both immediate needs and long-term objectives. One cannot undermine the interconnectedness of financial decisions to ensure that wealth management aligns with their unique traditions, values, and creates a meaningful impact. The IA plays a crucial role in drawing attention to a holistic approach – one that addresses family legacy and values by bringing together philanthropy, legacy planning, tax, and compliance discussions.

An integrated advisor can also facilitate conversations that bridge these areas, helping families understand how charitable giving can provide tax benefits while also fulfilling their philanthropic aspirations. By considering legacy planning alongside tax implications, families can create a comprehensive strategy that not only preserves wealth but also reflects their core values for future generations. This comprehensive approach ultimately strengthens family legacies and enhances their overall financial well-being.

QUESTION

As younger generations inherit family wealth, how are you seeing conversations around governance and purpose evolve in your work with SFOs?

As younger generations step into their roles as stewards of family wealth, the conversations around purpose, legacy, and governance are really starting to shift. These heirs are all about transparency and inclusivity, pushing for open dialogues about financial decisions and family values, which helps everyone feel more connected and responsible.

We're also seeing a strong move towards purpose-driven investing. It's refreshing to see younger family members keen on considering environmental, social, and governance (ESG) factors in their investment choices, prompting families to rethink how their portfolios align with their long-term vision.

Plus, technology is playing a big role in this evolution. Families are being influenced by the young ones to use digital tools to enhance communication and collaboration and governance, regulatory compliance, and transparency. Overall, this shift reflects a growing trend of integrating values with wealth management, ensuring that family legacies are not just preserved but truly thrive for future generations.

QUESTION

If you had to give one piece of advice to a next-gen family principal setting up their first family office, what would it be - and what should they absolutely avoid?

My key piece of advice for a next-gen family principal setting up their first family office is to prioritize a clear vision and purpose from the start. Defining your goals - whether it's wealth preservation, succession and asset transfer, insurance, investment strategy, or upholding family values - will guide your strategies and decisions. Involve family members in this process to foster unity and alignment. Taking the time to build a solid foundation and seek expert advice will ensure your family office effectively reflects your family's goals and values.

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