

Global mobility - A regulatory & planning perspective



Presented by Chantal Robertson

Agenda

1. The various mechanisms and structuring options available to SA resident individuals/families wishing to invest abroad;
2. Ceasing to be a resident for tax purposes – a practical guide
3. The blending of individual and business objectives



Global mobility – the Roadmap



Diversification and investment strategy



Leaving South Africa

Planning a move



Formalise non-resident status (Tax & Excon)

Solving for global mobility

Diversification and investment strategy

SA resident (18 years and older)

- R1m SDA
- R10m FIA (Approval of International Transfer (AIT))
- Foreign investment in excess of R10m - Special Dispensation (SARS & SARB)

Key considerations

- Effective travel solutions, eg. currency saving mechanism & access to offshore spend
- Balanced investment strategy
- Offshore structuring and estate planning.



Solving for global mobility

Diversification
and investment
strategy



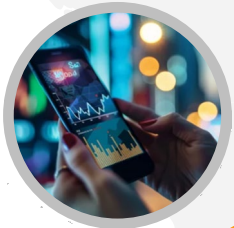
Planning a move

SA resident (18 years and older)

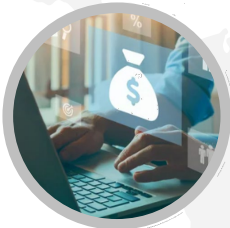
- R1m SDA
- R10m FIA (AIT)
- Foreign investment in excess of R10m - Special Dispensation (SARS & SARB)
- Global focus
- Offshore trust considerations – to potentially mitigate tax implications of ceasing to be resident (jurisdiction dependent).

Solving for global mobility

Diversification
and investment
strategy



Planning a move



Leaving South Africa

SA resident temporarily abroad (18 years and older)

- R1m SDA
- R10m FIA (AIT)
- Foreign investment in excess of R10m - Special Dispensation (SARS & SARB)

Key considerations

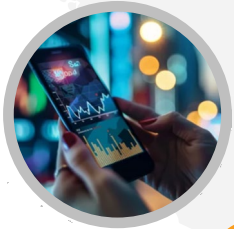
- Establish banking relationship offshore for every day needs and to prepare for change in residential status



Solving for global mobility



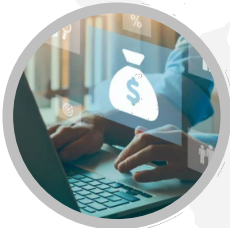
Diversification
and investment
strategy



Leaving
South Africa



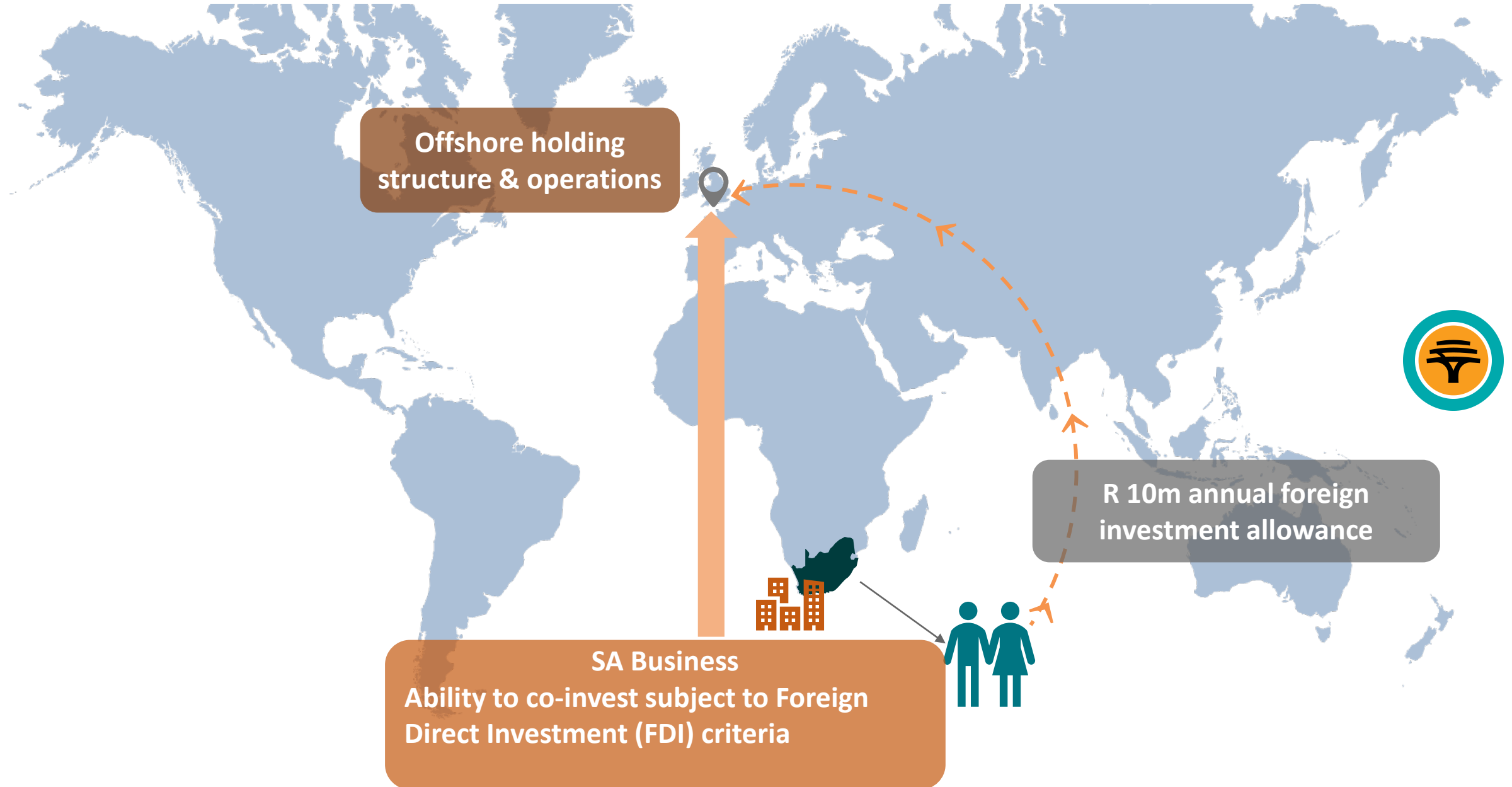
Planning a move



Formalise non-resident status (Tax & Excon)

- SARS RAV01 (via eFiling) – SARS letter confirming Non-Resident Tax Status + CGT
- Applicable allowances:
 - R1m SDA (only in calendar year you leave SA)
 - Remaining capital transferable subject to tax clearance (AIT), including capital distributions from SA trusts
 - Exit of funds/shares in excess of R10m (SARS & SARB)
- Restricted banking – No credit cards, but debit card available on Non-Resident Rand account for SA spend, and limited functionality on bank account
- Entitled to income subject to confirmation of tax compliance annually
- Inheritances from SA may be transferable

Global structuring options



Global structuring options

Individual allowances (18 years and older):

- Annual R1m Single Discretionary Allowance
- Annual foreign investment allowance, subject to tax clearance
- Special Dispensation for amounts larger than R10m, subject to SARS and SARB approval

Inward loop:

- Standard Non-Resident inward investment requirements –
 - Fair value introduced from abroad
 - Related supporting documentation, including Sale of Share Agreement + third party confirmation that the transaction is fair and market related
- SARB reporting

Further recent relaxation (SARS & SARB)

- Trust to trust distribution
 - Capital
 - Loan accounts



Q & A



DISCLAIMER

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