

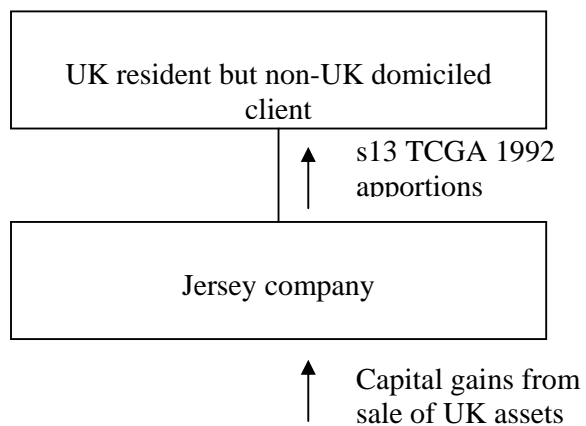
# Case Studies

## Trusts and Foundations

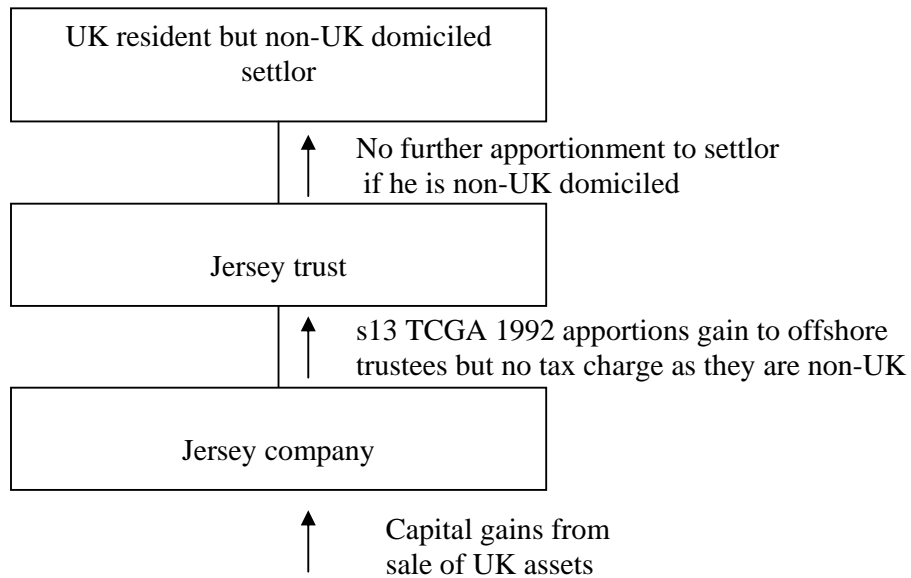
### Trusts

Now that UK resident but non-domiciled clients are liable to the s13 charge on gains realised by offshore companies on UK assets it will be more important than ever to use trusts to own the offshore company shares :

#### Example 1



Example 2



*Comment*

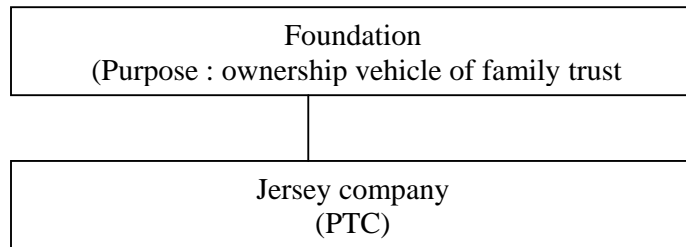
The solution in example 2 “stops” the s13 charge at the level of the trust. Trust gains can be apportioned to the settlor under s86 TCGA but only if the settlor is UK domiciled.

Distributions from the trust to the settlor outside the UK may be taxable on the remittance basis.

## Foundations

The Foundation is a body corporate without members. It is effectively a corporate trust. It can be incorporated for “purposes” or “beneficiaries”.

The Foundation can be used as a “purpose” Foundation to own family private trust companies (PTCs):



We can organise PTCs, and ensure their tax efficient management at director level from Jersey, Cyprus or Seychelles. Furthermore, ownership of a PTC by a Jersey or Seychelles Foundation will avoid tax complications in the settlor’s home country.