

Private Client 2021

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Private Client 2021

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Lexology Getting The Deal Through is delighted to publish the ninth edition of *Private Client*, which is available in print and online at www.lexology.com/gtdt.

Lexology Getting The Deal Through provides international expert analysis in key areas of law, practice and regulation for corporate counsel, cross-border legal practitioners, and company directors and officers.

Throughout this edition, and following the unique Lexology Getting The Deal Through format, the same key questions are answered by leading practitioners in each of the jurisdictions featured. Our coverage this year includes new chapters on Bermuda, Cayman Islands, Cyprus, Guernsey, Switzerland and the United States.

Lexology Getting The Deal Through titles are published annually in print. Please ensure you are referring to the latest edition or to the online version at www.lexology.com/gtdt.

Every effort has been made to cover all matters of concern to readers. However, specific legal advice should always be sought from experienced local advisers.

Lexology Getting The Deal Through gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. We also extend special thanks to the contributing editors, Anthony Thompson and Nicole Aubin-Parvu of Forsters LLP, for their continued assistance with this volume.



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United States

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TAX

Residence and domicile

1 | How does an individual become taxable in your jurisdiction?

A US person is subject to tax on their worldwide income. US citizens, those with a green card, as well as those in the US for enough days to meet the 'substantial presence test' are US persons. Additionally, a non-resident alien is subject to tax in the US on US source income. Various states and municipalities may also subject an individual to tax.

An individual is subject to worldwide transfer taxation (ie, estate, gift and generation-skipping) if the individual is a US citizen or 'domiciliary.' In general, an individual will be deemed a domiciliary if the individual is physically present in the US with the intent to remain there permanently. Various states may also subject an individual to transfer tax. Finally, a nondomiciliary is subject to US transfer tax on US situs assets.

Income

2 | What, if any, taxes apply to an individual's income?

Section 61 of the Internal Revenue Code defines gross income as 'all income from whatever source derived' unless otherwise excluded. Therefore, any increase in a taxpayer's wealth, is included in income and subject to tax. Income is subject to federal income tax, and depending upon where the income was generated or the taxpayer resides, it could also be subject to tax at the state or municipal level, or both. There are currently seven federal income tax rates ranging from 10 to 37 per cent. Moreover, individuals can file as single, married filing jointly, married filing separately, or widower. All taxpayers have an option to claim a standard deduction or to seek itemised deductions. The determination as to which to claim and the benefit of the deduction is based upon the taxpayer's income and filing status. Taxpayers may also be eligible for certain credits. There is also a net investment income tax of 3.8 per cent that applies to individuals that have net income above certain thresholds.

Capital gains

3 | What, if any, taxes apply to an individual's capital gains?

The taxation of capital gains depends upon whether the capital asset was held for more than a year before it was sold. If it was held for less than 12 months, the gain will be included in income and subject to tax at ordinary income tax rates. This is in contrast to a capital asset held for more than 12 months, which would then qualify for the preferential long-term capital gain rates. There are three capital gain rates ranging from 0 to 20 per cent. Interestingly, qualified dividends are subject

to capital gain rates. Provided the taxpayer meets the holding period and the dividend is not excluded by the IRS, a qualified dividend is one paid by a company (1) incorporated in a US possession, (2) located in a country with which the US has an income tax treaty or (3) whose stock is readily traded on a US stock market.

Lifetime gifts

4 | What, if any, taxes apply if an individual makes lifetime gifts?

Individuals with a US domicile are subject to federal gift tax on transfers of their world-wide assets. However, they are entitled to a lifetime exemption that in 2020 is \$11.58 million. Gifts in excess of the exemption are subject to tax at 40 per cent. Under current law, the lifetime exemption will be reduced to \$5 million on 31 December 2025.

The annual exclusion is an additional exemption from gift tax. The amount is indexed for inflation and currently is \$15,000 in 2020. An individual may transfer up to \$15,000 on an annual basis to as many donees as he or she wishes. These transfers are exempt from a gift tax. While the gift tax also applies when non domiciliaries transfer US situs property, such individuals are only entitled to the annual exclusion. They do not qualify for the lifetime exemption.

Finally, the federal gift tax law allows for the unlimited payment of educational tuition and fees and health care costs on behalf of another individual if made directly to the service provider, namely, the university or hospital where the charges arose.

Inheritance

5 | What, if any, taxes apply to an individual's transfers on death and to his or her estate following death?

Those with a US domicile are subject to US estate tax on the value of their worldwide assets. The remainder of the lifetime exclusion that was not used for gifts during life is available at death. Transfers to US citizens' spouses are not subject to estate tax due to the marital deduction. Transfers to non-US citizens' spouses may postpone estate tax when using a Qualified Domestic Trust. The estate tax also applies to the US situs property of non domiciliaries.

To the extent a married spouse with US domicile does not fully use his or her estate exemption amount, this amount may be transferred through portability to the surviving spouse. Thus, the surviving spouse is entitled to add to his or her exemption amount any amount inherited from the surviving spouse. An important distinction between the estate and gift tax is that with a gift, the donee receives the donor's basis, which is known as 'carry over' basis. However, transfers at death receive a 'step up' basis, which means that the recipient's basis in the asset is equal to the value at the time of the decedent's death.

Real property

6 | What, if any, taxes apply to an individual's real property?

Real property taxes are levied by local taxing authorities throughout the US. These are mostly cities, towns, villages and counties. Most of these taxes are used to support local education which is the primary source of a public education through high school in America. Amounts of taxes vary greatly among the jurisdictions primarily based upon the level and quality of services provided in the taxing locality. Generally, the amounts levied annually are a small percentage (known as a mill rate) against the assessed value of the property. The assessed value generally is a certain percentage of the property's fair market value. Additionally, when real property is transferred, many jurisdictions levy a transfer tax upon the sale or transfer of the property. Depending upon the jurisdiction, these may be levied upon the purchaser or the seller with increased amounts for higher valued transactions.

Non-cash assets

7 | What, if any, taxes apply on the import or export, for personal use and enjoyment, of assets other than cash by an individual to your jurisdiction?

An individual may import up to \$800 worth of personal items tax and avoid the duty tax. Limitations apply to alcohol, cigarettes and cigars – up to one litre of alcohol, 200 cigarettes, and 100 cigars are free of duty and taxes. American goods returned and on which duty was previously paid can be imported duty-free. Separately, an individual can import household goods, furniture and other personal items into the US tax and duty free as long as they have owned the items for at least one year. Other exemptions may apply depending on the individual's nationality, mode of import, or origin of the items.

The US does not tax exports – whether personal or commercial, however special documentation or licensing may be required depending on the item being exported.

Other taxes

8 | What, if any, other taxes may be particularly relevant to an individual?

Most of the other taxes that impact an individual in the US are assessed by the states and can be in addition to the federal tax. For example, certain states assess state income tax on personal income in addition to the federal income tax. States such as New York and California have tax rates ranging from 6.85 to 13.3 per cent on personal income while other states like Florida and Texas have zero additional state income tax assessed. Similarly, many states assess their own estate tax in addition to the federal estate tax. In addition to the aforementioned taxes, states have sales and use taxes that will be assessed on the purchase or use of luxury items such as aircrafts and yachts.

Trusts and other holding vehicles

9 | What, if any, taxes apply to trusts or other asset-holding vehicles in your jurisdiction, and how are such taxes imposed?

A trust is either domestic or foreign, and characterised as a grantor trust or a non-grantor trust. Grantors of a US or foreign grantor trust are subject to tax on the income earned by the trust. Both types of non-grantor trusts provide important planning opportunities under US tax law. US non-grantor trusts are taxed on worldwide income and gains at the same marginal rates applicable to individuals, albeit generally reaching the highest bracket at a lower threshold. If the US non-grantor trust distributes income to beneficiaries, the beneficiaries are then

subject to tax on the distribution. A foreign non-grantor trust is only subject to US tax on US source income, which generally does not include gains on the sale of securities and personal property.

Charities

10 | How are charities taxed in your jurisdiction?

Charities are generally not subject to tax unless the charity receives unrelated business taxable income (UBTI), which is income from a regular business activity that is unrelated to its charitable purposes. There are certain exceptions for income from passive activities. Any UBTI is reported annually by charities (IRS Form 990-T); otherwise, public charities file their annual federal tax returns (IRS Form 990, 990-EZ, or 990-N), any applicable state tax returns, and, if applicable, a separate form (IRS Form 4720) to report excise taxes but in much more limited situations than private foundations.

If a charity has employees, then the charity is required to pay federal and state employment-related taxes. Certain charities, such as churches, and schools affiliated with churches, sometimes are exempt from these taxes. Charities might also owe real property taxes or sales, or both, and use taxes unless they meet state or local exemption qualifications, or both. Some states and local governments require charities to apply in order to obtain exemption from these taxes. If applicable, state and local governments presumably furnish forms to report these taxes.

Anti-avoidance and anti-abuse provisions

11 | What anti-avoidance and anti-abuse tax provisions apply in the context of private client wealth management?

The US federal tax law, generally, ignores the technical form of a transaction and taxes it based on its substance. This is the 'substance over form' approach. One application of this principle is the 'step transaction' doctrine, under which the IRS may recharacterise a related series of steps as one single transaction. Another example is the 'economic substance' doctrine, under which the IRS may disallow tax benefits generated by a transaction that may satisfy the literal requirements of the tax code, but lacks any meaningful economic significance apart from its tax consequences. Finally, the authorities may deny tax-free treatment to a corporate reorganisation transaction where there is no non-tax 'business purpose' to the transaction. These common-law principles were codified in the tax code in 2010. This provision of the tax code provides that a transaction is respected only if it changes in a meaningful way (apart from federal income tax effects) the taxpayer's economic position, and the taxpayer has a substantial purpose (apart from federal income tax effects) for entering into the transaction.

TRUSTS AND FOUNDATIONS

Trusts

12 | Does your jurisdiction recognise trusts?

Every state in the US recognises trusts including those governed by the laws of another state. Additionally, trusts created or administered under the law of a foreign country may also be recognised by each state. However, if a foreign trust is not administered in accordance with its terms, or is in violation of a state's public policy, there is a risk that it will not be recognised in the US.

To form a valid trust, there must be a settlor (the person who creates the trust), property to fund the trust, beneficiaries, a trustee, and a valid trust purpose. Additionally, some states may impose other requirements, which are similar to the requirements to execute a valid will.

Private foundations

13 | Does your jurisdiction recognise private foundations?

US law defines and generally classifies all charitable organizations as private foundations by default. Each US state generally recognises corporate- and trust-formed private foundations. The states generally have corporate statutes that are based on the American Bar Association's Model Nonprofit Corporation Act. A majority of states have adopted some version of the Uniform Trust Code, which includes multiple provisions that govern trust formed private foundations. As a result, a trust formed private foundation should encounter more consistency nowadays if it operates in more than one state or if it later decides to change its governing law or its situs (or principal place of administration), or both.

Each state has a Department of State, which regulates not-for-profit or 'nonprofit' corporations in addition to their for-profit business entities. Articles (or certificates or 'charters') of incorporation and annual reports usually are filed with the Department of State, with some states allowing electronic filing of one or both of these documents. There are no comparable state filing requirements for trust-formed private foundations. All private foundations, including operating foundations, file annual federal tax returns (IRS Form 990-PF), any applicable state tax returns, and, if applicable, a separate form (IRS Form 4720) to report various excise taxes payable.

SAME-SEX MARRIAGES AND CIVIL UNIONS

Same-sex relationships

14 | Does your jurisdiction have any form of legally recognised same-sex relationship?

Subsequent to a decision from the US Supreme Court, same-sex marriage is recognised throughout the US. Moreover, the US will recognise same-sex marriages validly entered into elsewhere for tax, succession, state divorce law and related taxation of property settlements and alimony payments.

Federal law does not recognise civil unions and domestic partnerships, whereby a same-sex couple registers their relationship for certain legal purposes. However, they may be recognised by certain states and state law protections vary in the states that permit them. In most states that recognise same-sex civil unions and domestic partnerships there are no state transfer taxes. Note that if a couple previously had a legal civil union, they must dissolve it to enter into a subsequent civil union or marriage.

Heterosexual civil unions

15 | Does your jurisdiction recognise any form of legal relationship for heterosexual couples other than marriage?

Some US states permit heterosexual civil unions or domestic partnerships to be registered for certain state legal purposes, but these relationships are not recognised by federal law. In most of the states that recognise heterosexual civil unions or domestic partnerships, there are no state transfer taxes.

SUCCESSION

Estate constitution

16 | What property constitutes an individual's estate for succession purposes?

A decedent's probate estate includes all property solely owned by the decedent. It can also include property owned in conjunction with others, so long as title to the property does not provide for distribution at death.

Property that passes by right of survivorship, by contract (instruments where decedent names a designated beneficiary for example, life insurance and employee plan death benefits); or by title (such as payable on death or transfer on death with bank accounts or securities) is not generally included in the probate estate. Similarly, property held in trust (including a revocable trust); and property over which the decedent had a power of appointment bypass the decedent's probate estate.

Disposition

17 | To what extent do individuals have freedom of disposition over their estate during their lifetime?

Individuals have freedom of disposition over their estate during their lifetime. In a separate property state, this means that the individual can freely gift any of their separate property, without any restriction. In a community property state, each spouse generally owns an undivided one-half interest in all property acquired during the marriage, even property owned in just one spouse's name, so gifts or other transfers of community property must typically have the consent of both spouses. If community property is gifted without the approval of both spouses, the non-transferring spouse may have rights to a claw-back. Though there are very limited legal restrictions on disposing of a person's estate, in many cases, individuals will be subject to contractual limits on transfer.

18 | To what extent do individuals have freedom of disposition over their estate on death?

While there are no forced heirship rules in the US, many states allow a surviving spouse, and in some cases, minor children, certain rights against the decedent's estate. Therefore, the individual's freedom of disposition over their estate at death can be overruled by certain state laws. The most significant of which is the surviving spouse's right to an 'elective share' or spousal share of the decedent's estate, instead of what was provided under the decedent's will. The 'elective share' or spousal share is typically around one third of the decedent's estate.

Additionally, there are other options available to a spouse in many states. This includes petitioning the probate court for support and maintenance from the decedent's estate. In other states, the surviving spouse can claim an allowance if he or she did not receive the decedent's homestead property or certain personal property. These allowances are generally limited in value, and thus not as significant as a spouse's rights to an elective shares. If the decedent dies without a surviving spouse, many of the aforementioned rights (except for the elective share) will pass to the decedent's minor children.

Intestacy

19 | If an individual dies in your jurisdiction without leaving valid instructions for the disposition of the estate, to whom does the estate pass and in what shares?

If an individual dies in a state without leaving valid instructions for the disposition of the estate, then the individual died intestate. As such, the intestacy laws of the decedent's domicile at death will apply to his or her estate.

Adopted and illegitimate children

20 | In relation to the disposition of an individual's estate, are adopted or illegitimate children treated the same as natural legitimate children and, if not, how may they inherit?

Subject to the provisions of the governing document, which can expressly exclude adopted and illegitimate children, adopted children are generally treated the same as a person's biological children, although state

law may vary as to (1) whether there is a maximum age at the time of adoption, and consequently, whether adult adoptions are recognised; (2) whether as to trusts created by a third party, such as a grandparent, must treat an adopted child as a permitted beneficiary if created before the law recognising adopted children as issue became effective; and (3) in certain cases, it is important to consider the law of the jurisdiction where the adoption took place. State laws vary concerning whether a child adopted away from someone loses inheritance rights from the prior family.

State law dictates how illegitimate children are treated, but they generally require either that the parent acknowledge the child or some proof of parentage. Many states have presumptions that can be rebutted that a child born during marriage is a child of that marriage.

Parents must carefully consider how children born through surrogacy are treated by the state. In some states, the parents' names are recorded on the birth certificate immediately after the child's birth, whereas other states require the parents to adopt the child.

State laws vary regarding recognition of posthumously conceived children for inheritance purposes.

In general, children who would not otherwise be treated as a child or descendant for inheritance purposes can expressly be included by name or description in estate plan documents for the avoidance of doubt.

Distribution

21 | What law governs the distribution of an individual's estate and does this depend on the type of property within it?

The law of the jurisdiction where the decedent was domiciled at death generally governs the disposition of the decedent's personal or moveable property. An individual's domicile, is the place where the individual has a fixed residence and the present intention of making it his or her permanent home.

The law of the jurisdiction where real property owned by the decedent is located controls the disposition of that property. If the property is located outside of the decedent's domicile, then a separate ancillary estate administration will be required.

Formalities

22 | What formalities are required for an individual to make a valid will in your jurisdiction?

The formalities required for an individual to execute a valid will vary among the states; however, the formalities generally require the testator: (1) to be at least 18 years old; and (2) have capacity, which means he or she is of sound mind and capable of making decisions and reasoning, at the time the will is signed. Moreover, the will must be in writing; and the testator must sign the will at the end of the instrument in front of two disinterested witnesses, who will sign the instrument in the presence of the testator and each other, and the instrument should be notarised to avoid having to locate a witness to attest to the signing of the will.

Foreign wills

23 | Are foreign wills recognised in your jurisdiction and how is this achieved?

State probate laws vary, but generally recognise a foreign will provided that the will was validly executed in the foreign jurisdiction. Further, a US court may accept jurisdiction over a foreign will if there is an ancillary probate proceeding related to property owned by the decedent. However, the court may want proof that the foreign will was successfully probated without contest in the decedent's domicile.

Administration

24 | Who has the right to administer an estate?

The personal representative, who is also known as the executor in some jurisdictions, is appointed by the court that has the right to administer the estate. Each states' probate law governs the order of preference for the appointment of the personal representative. If the decedent had a will, the order of preference generally is: (1) the person or persons named in the will, assuming the person qualifies under the laws of the jurisdiction; (2) the person selected by a majority in interest of the persons entitled to the estate if the person named in the will is unavailable or not eligible to serve; and (3) a devisee under the will. If the decedent did not leave a will, the order of preference varies by jurisdiction; however, it is often as follows: (1) the surviving spouse of the decedent; (2) the person selected by a majority in interest of the heirs; and (3) the heir nearest in degree.

25 | How does title to a deceased's assets pass to the heirs and successors? What are the rules for administration of the estate?

Title to the deceased's assets pass to the beneficiaries through a court order. Probate is a process by which ownership of the decedent's assets are transferred to the beneficiaries. If the decedent had a will or other testamentary instrument, and the instrument is not admitted to probate in the court, it will not transfer ownership of probate assets. In this instance as well as if the decedent had no will or the will is misplaced, probate is necessary to transfer ownership of the decedent's probate assets in accordance with the law of the decedent's domicile. Probate is also necessary to wind up the decedent's financial affairs. Administration of the decedent's estate ensures that the decedent's creditors are paid and estate expenses and taxes are paid prior to the distribution of assets to the beneficiaries.

Challenge

26 | Is there a procedure for disappointed heirs and/or beneficiaries to make a claim against an estate?

An heir or beneficiary under a prior will or trust instrument can challenge the validity of a will or trust on various grounds, like undue influence, lack of capacity, or failure to execute the instrument with the requisite formalities. The grounds and procedure of these legal proceedings are governed by state law and, thus, vary by state. Stringent deadlines may apply and serve as a bar to a claim of a disappointed heir or beneficiary

CAPACITY AND POWER OF ATTORNEY

Minors

27 | What are the rules for holding and managing the property of a minor in your jurisdiction?

The rules are governed by state law and, thus, vary by state. Most states have adopted a version of the Uniform Transfers To Minors Act (UTMA), which provides a mechanism under which gifts can be made to a minor without requiring the presence of an appointed guardian for the minor. The property can be held until the child attains the age of majority or longer. For example, under Florida's UTMA, gifts to minors are held until the minor reaches age 21 by default, or up to age 25 if designated by the transferor. Non-gratuitous transfers to minors can be held by custodians until the minor reaches age 18.

If property transferred to a minor is not transferred pursuant to the UTMA or into a trust, a guardian must hold the property.

Age of majority

28 | At what age does an individual attain legal capacity for the purposes of holding and managing property in your jurisdiction?

State law, as opposed to federal law, determines the age of majority. While 18 is the most common age of majority, some states grant majority upon the occurrence of an event or later age. In Florida, an individual attains legal capacity for all purposes, including for purposes of holding and managing property, at age 18. Minors can attain legal capacity earlier by petitioning a court after age 16 or by marriage.

Loss of capacity

29 | If someone loses capacity to manage their affairs in your jurisdiction, what is the procedure for managing them on their behalf?

The loss of capacity is determined in accordance with state law, as there is no federal standard. However, the procedures and law may vary between states. With advanced planning, an individual can direct who should handle their affairs upon a loss of capacity. This is handled through a durable power of attorney, designation of health care surrogate and revocable trust, all of which require careful drafting.

If an individual did not plan in advance and is found to be incapacitated, the court can appoint a guardian of the property, a guardian of the person, or both. If a guardian of the property is appointed, that guardian acts under the continuing supervision of the guardianship court. The guardian must periodically file guardianship plans, reports, and accountings which are reviewed and approved by the court. Certain actions may be taken by the guardian without court preapproval, but many significant actions require a court order.

IMMIGRATION

Visitors' visas

30 | Do foreign nationals require a visa to visit your jurisdiction?

The US has agreements with 39 countries that permit nationals from these countries to visit the US as a business visitor or tourist for up to 90 days without requiring a visa under the Electronic System for Travel Authorization (ESTA) Program. Nationals from these countries who wish to stay longer than 90 days or those from countries with which the US does not have an agreement must first apply for and obtain a B-1/B-2 (business visitor/tourist) visa to visit the United States.

31 | How long can a foreign national spend in your jurisdiction on a visitors' visa?

The ESTA Program permits individuals to remain in the US for up to 90 days per trip. These individuals will have a B-1/B-2 visa per trip, which is valid for up to six months per trip. However, the actual date through which a foreign national can remain in the US is dictated by Form I-94, which Customs and Border Protection issues to a foreign national upon entering the United States. All foreign nationals should download their Form I-94 from the CBP's website after entering the US to confirm the status under which they were admitted and the date through which they are permitted to remain in the US.

High net worth individuals

32 | Is there a visa programme targeted specifically at high net worth individuals?

The EB-5 immigrant investor visa is obtained by investing a certain amount (currently, \$900,000 or \$1.8 million depending on the programme through which the investment is being made). If the requirements are satisfied, the foreign national can apply for a US green card.

Additionally, an E-2 (Treaty Investor) visa is available to individuals from many, but not all, countries. This visa provides access to the US whenever they need, but for purposes of work. The purpose can be for investing in a US company or being employed by a company that has made the required investment in the US. Although this programme does not offer lawful permanent residency or a path to citizenship, many high net worth investors might prefer this for tax reasons.

33 | If so, does this programme entitle individuals to bring their family members with them? Give details.

Individuals in possession of an EB-5 immigrant investor visa can apply for their spouse and minor aged children to join them. This is in contrast to the E-2 visa, where spouses and dependent children of the principal applicant can accompany the principal E-2 visa holder under E-2 derivative visa status.

34 | Does such a programme give an individual a right to reside permanently or indefinitely in your jurisdiction and, if so, how?

The initial green card issued under the EB-5 Program is a conditional green card. This means it is valid for two years. The holders must apply within 90 days of the expiration date to have the limiting conditions removed from the green card. When a green card without restrictions is issued, it is valid for 10 years and permits the holder to live in the US permanently and indefinitely. It is important to realise that the holder cannot break the residence cycle by staying outside of the US for too long a period of time (generally, six months or more in one trip).

An E-2 visa does not permit a foreign national to reside permanently or indefinitely in the US, but it is typically issued for up to five years and can be renewed indefinitely as long as all of the requirements continue to be met.

35 | Does such a programme enable an individual to obtain citizenship or nationality in your jurisdiction and, if so, how?

There is no path to US citizenship or lawful permanent residency with an E-2 visa. An individual in possession of a green card for five years is eligible to apply for US citizenship by filing application documents with the USCIS, taking a civics exam during an interview and then attending an oath ceremony.

UPDATE & TRENDS

Key developments

36 | Are there any proposals in your jurisdiction for new legislation or regulation, or to revise existing legislation or regulation, in areas of law relevant to high-net worth individuals, particularly those coming to or investing in your jurisdiction? Are there any other current developments or trends relevant to such individuals that should be noted?

The 2020 Presidential election will determine the direction for future federal tax policy and legislation. Simply stated, if the Democrats prevail there will likely be legislative momentum to increase tax rates

with the burden likely falling on the wealthy. On the other hand, if the Republicans win the Presidency, then it is likely that something close to the status quo will continue, with lower tax rates and higher exemptions. For example, the current proposal by Joe Biden suggests that the highest income tax rate would be increased from 37 to 39.6 per cent on income over \$400,000, the like kind exchange would be limited for real estate exchanges, the step-up in basis at death would be eliminated and the estate tax exemption would be reduced from \$11.58 million to approximately \$5 million, among other things. On the other hand, President Donald Trump has proposed tax changes. For example, he has proposed to provide a 10 per cent income tax cut to middle class taxpayers and make permanent many of the tax laws that will expire in the future. The Senate and the House elections will further complicate predictions about future tax law changes. Post November 2020, there should be more clarity on tax legislation and regulation.

Coronavirus

37 | What emergency legislation, relief programmes and other initiatives specific to your practice area has your state implemented to address the pandemic? Have any existing government programmes, laws or regulations been amended to address these concerns? What best practices are advisable for clients?

Please see www.lexology.com/gtdt.

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