

Quotes of The Day

“A pessimist sees the difficulty in every opportunity, an optimist sees the opportunity in every difficulty.”
~ *Winston Churchill*

“The real measure of your worth is how much you would be worth if you lost all your money.”
~ *Unknown*



WEBINAR RECORDINGS

Here are the links to watch the recordings of some of our highly successful webinars:

- [Webinar for South Africans Planning Aliya or Already Living in Israel](#)
- [Planning the end of the 10 year tax holiday and economic impact of COVID 19](#)
- [Select Tax and Investment Issues Applicable to New & Prospective Olim](#)
- [U.S.-Israel tax, estate and investment review for Olim \(Nefesh BNefesh\)](#)

Upcoming Webinar

Israel-Australia Tax Considerations for Investments, Trusts, Olim and their Families
Join Broide and Co. together with Arnold Bloch Leibler for a discussion on Israel-Australia cross-border tax considerations
Date: Tuesday 10 May 2022
Time: 9:00am – 10:00am (IDT)/ 4:00-5:00pm (AEST)
To register email: nechama@broide.com



Tax Issues Impacting on Trusts/Trustees/Settlors/Grantors/Beneficiaries

We have in the past referred to the difficulties encountered in tax reporting, registration and planning relating to trusts in Israel. It is clear in recent years that the ITA adopts a very aggressive approach to trusts, particularly in the reviewing and auditing of trust tax reporting. In our view the interpretations and demands of trusts from ITA inspectors are often not in accordance with our reading of the law.

Thus, we encounter the following:

- Treating trusts as fully taxable in Israel where the majority (or even some) of the beneficiaries are not tax resident in Israel.
- Attempts by the ITA to tax the revenue portion of distributions, earned prior to such revenue being liable to taxes in Israel. (e.g. income earned during the 10-year “tax holiday”.)
- Holding that foreign trusts are taxable prior to the 2013 changes in the tax law and effective as of 2014.
- Treating sources of trust assets and trust location as “suspect” without legal or factual basis.
- Creating bureaucratic obstacles to registration of trusts with the ITA.

It is important that trust professionals be aware of these, and other tax problems encountered and which our firm will continue to contest and “wage battle”.

[Wills and Estate Planning](#)



Since this topic is not accorded the attention it deserves, may we once again stress the importance in planning your personal affairs, of periodic review of your last will and testament, and giving thought to the manner in which you have planned your investments, life insurance and cash resources, bearing in mind the needs of your family.

[Planning for the end of the tax holiday](#)



New or returning residents who started the 10- year tax exemption period in 2011,2012 or 2013 should already be doing serious tax planning for the post tax holiday period. Similarly, the “2008 to 2010 people” may already be required to submit tax reports.

[2021 Personal Income Tax Return Checklist](#)

With the Income Tax season now underway, [Click Here](#) for the firm’s Income Tax checklist for 2021, which we request you follow closely and submit the relevant documents and information to us without delay.

[A COMPREHENSIVE GUIDE TO TAXATION OF TRUSTS IN ISRAEL](#)



[In Memoriam](#)

Our veteran admin manager, Miri (Z”L), who retired from the firm at the end of October last year, passed away during the Pesach holiday (Chol Hamoed). Miri worked with us for close to 40 years, handling a wide range of activities from Income Tax and Bituach Leumi, to general management and financial matters. She was dynamic and always willing to go the extra distance. Personable and forever loyal to the firm, the professional team and clients, all who had respect and esteem for her capabilities and personal warmth. We will miss her dearly and extend sincere condolences to her sons, brothers, sister and families.

יהיה זכרה ברוך

Warm thanks for the condolences received from clients and associates – she was indeed a very special person.



[Worldwide Exchange of Information](#)

As of February 2019, new Income Tax rules became effective, facilitating exchange of financial information between countries (per the CRS standards). Thus Israel now exchanges information with foreign tax authorities relating to bank and investment accounts of foreign residents held abroad.

It is strongly recommended that reporting obligations be closely reviewed to avoid unnecessary mishaps.