

Quote of The Day

"The love of life is necessary to the vigorous prosecution of any undertaking"

~ Dr. Samuel Johnson, 1709-1784

"Nothing great was ever achieved without enthusiasm"

~ Ralph Waldo Emerson

C & C (Call & Chat)
Focus on the future - not the past



As you can see, we have a new slogan, which means please communicate/call for a chat . . . about planning taxes, difficult economic times, creative thinking and such like. *We await your call/email/Zoom meeting!*

COVID-19 Updates



- [CLICK HERE](#) for our latest Client Alert re grants for businesses – self-employed & companies.
- Bank of Israel has announced that cheques of up to NIS 50,000 each may now be deposited on mobile phones (previously up to NIS 20,000 each).
- Do monitor our Client Alerts ([26.3.2020](#) & [5.4.2020](#)) and announcements from the Ministries of Finance and Health.

Tax Tips for Mitigating the Economic Crisis



- Update us on your 2020 forecast - this may facilitate reduced interim payments (mikdamot) for Income Tax and Bituach Leumi.
- Review entity structure re tax (and cost) efficiency (corporate, individual, partnership, trust, foreign).
- Help us expedite your 2019 tax return, particularly where there is an expectation of an Income Tax and/or Bituach Leumi refund.
- Salaried taxpayers - who are not legally obligated to submit tax returns - should evaluate the possibility of claiming certain additional expenses and tax credits, not included in the payroll calculations.
- New and returning residents (including the "not-so-new") should monitor closely their legal status (tax) so as to utilise any tax benefits available under the Income Tax Ordinance.
- Give thought to set-off of capital losses on securities against dividend and interest income on securities (in same year) and capital gains.

**2019 PERSONAL INCOME TAX
RETURNS ARE NOW DUE!**



Staying on Top of The Slow-down

- ☑ Retain cautious optimism;
- ☑ Develop creative and aggressive marketing strategies;
- ☑ Monitor budgets very closely and continuously (and you should have a budget);
- ☑ Discard any 'wait and see' or 'put on hold' approaches to running your business or practice;
- ☑ Re-think your business or practice - e.g. what exactly are you selling and what do your clients/ customers/ patients really want;
- ☑ Think and act positive, no matter how difficult; the business world does not tolerate negative signals! Nor do customers or clients.



חג עצמאות שמח!
Happy Independence Day!

A few estate tax planning comments from an Israeli perspective:

- There is no inheritance (estate) tax in Israel at this time.
- Inheritance is not considered a capital gains tax event.
- A sale or transfer of an asset, including a gift is a tax event and may be subject to capital gains tax unless specifically exempted.
- Bona fide gifts to relatives are generally exempt from capital gains tax, as are gifts to recognized charitable organizations.
- An "exit" tax (similar to capital gains tax) is charged on assets held at the time of emigration (deferred option exists).
- Different provisions apply to new or veteran returning residents within the 10 -year tax exemption period or thereafter.
- Israeli resident or beneficiary trusts, or relative (family) trusts may be subject to the "exit" tax or capital gains tax following a change in the status of the settlor/ grantor or beneficiary.
- Israeli residents may be subject to estate (inheritance) taxes on assets held in foreign jurisdictions; appropriate counsel should be taken.

**Voluntary Disclosure – Individuals
& Trusts**

Whilst the formal procedure for Voluntary Disclosure to the ITA is no longer available at this time, there are alternative reporting routes which should be considered. We are available to discuss potential solutions.