



Quote of The Day

“Nothing fails like success because we don’t learn from it. We learn only from failure.”

~ *Kenneth Ewart Boulding*

“Never mistake motion for action.”

~ *Ernest Hemingway*

YEAR - END TAX TIPS

[Click Here](#) for some tax-reducing thoughts for 2018



[Click Here](#) for relevant points regarding tax planning

TAX ALERT

New residents who started the 10-year tax exemption in 2008 and their 10 years come to an end during 2018 should already be considering the impact of the cessation of the exemption – tax planning is now. Similarly for those whose “tax holiday” ends in 2019.

ESTATE TAX PLANNING HIGHLIGHTS

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.

Confidentiality

All matters handled by the firm are treated with strict confidentiality, and in accordance with the highest ethical standards as stipulated in the accounting profession's Code of Ethical Conduct.

There is no time like the present!

So we invite you to come in for a coffee/tea/water and a chat... to discuss and review business and finance matters, tax planning for 2018 and beyond, and any other matters pertinent to you and with which we can assist.



BROIDE & CO IN THE MEDIA

[Click Here](#) for an interview with Jeff Broide featured by The Times of Israel on the subject of Voluntary Disclosure.

On September 13th, Gidon Broide participated in a successful webinar discussing U.S.-Israeli tax and estate planning for dual citizens. The download is available for purchase [here](#).

PROPER DISCLOSURE OF INCOME

In a ruling (Green) in the Jerusalem Regional Court, the judge elaborated on the issue of 'proper disclosure'. The judge held that it is unacceptable that the taxpayer keeps the information to himself and also (makes) the decision as to its 'implications'. The taxpayer is bound to meet the requirements of 'proper disclosure' of the relevant facts, whether on the specific form or other distinctive format.

This accords with our long-held view that proper and full disclosure is an integral part of tax planning and reporting.



Trust Tax Corner

- Most beneficiaries are required to submit personal tax returns as of 2016.
- 2017 trust tax reports are now due for submission (preferably not later than December 31, 2018).
- Unreported trusts may be eligible for the "Trust Arrangement" procedure – similar to Voluntary Disclosure.