

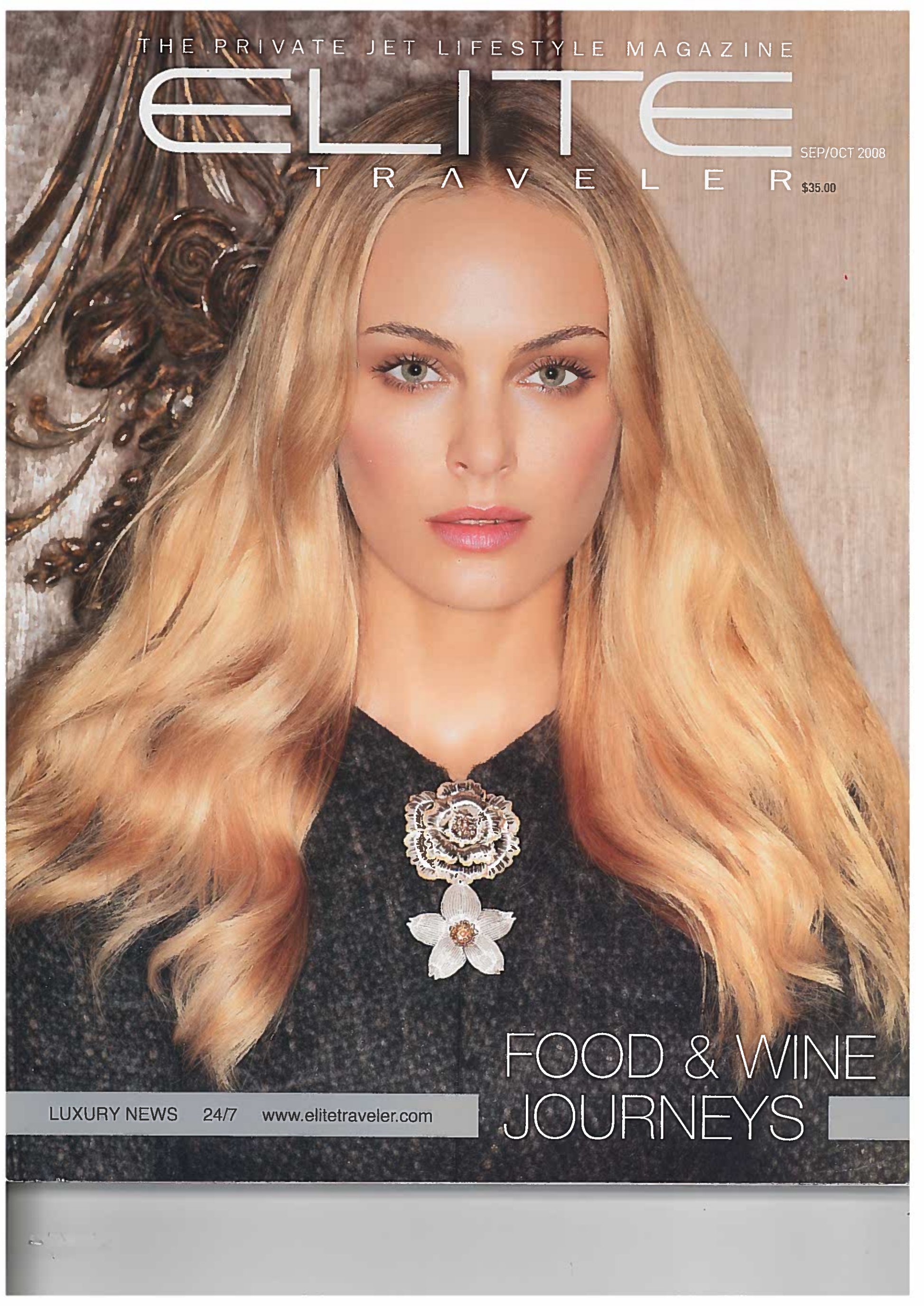
THE PRIVATE JET LIFESTYLE MAGAZINE

ELITE

SEP/OCT 2008

T R A V E L E R

\$35.00



FOOD & WINE
JOURNEYS

LUXURY NEWS 24/7 www.elitetraveler.com

TAX MITIGATION FOR MULTINATIONAL WEALTH

Globalization has created a fast-and-furious financial environment that spurs truly multinational wealth. When dealing with cross-border opportunities, take a step back and consult with the experts, especially regarding tax implications.

BY RUSS ALAN PRINCE & HANNAH SHAW GROVE

Increased globalization can open the door to new financial benefits for individuals and families with business interests around the world. "I'm mystified by how little cross-border tax planning is done by substantial international private businesses," says **Frank Seneco**, president of **Seneco & Associates**, an advanced planning firm in New Haven, Conn. "One of the first things we ask business owners is where they operate and the locations of any divisions and subsidiaries."

Seneco explains that significant tax savings can often be achieved by structuring assets and entities in ways that leverage the pertinent country tax codes. "We can apply the same bright line strategies used by the biggest multinational corporations to privately-owned businesses," Seneco says. "It's possible to lower the aggregate tax obligation when the ownership and taxation issues are thoroughly researched and addressed creatively."

That's a perspective shared by **Richard J. Flynn**, a principal of **Rothstein Kass** and head of its Family Office Group. "We advise our clients throughout the process of establishing a holding company. It requires a great deal of analysis to find the right solution for each situation, especially when the goal is to maximize a company's profits."

NOT JUST FOR MULTATIONALS

This sensitivity to taxes is typically shared among the affluent population, and the use of sophisticated corporate strategies is increasingly put in place at family offices and other high-end advisory firms. "Initially our clients were large global corporations," says **Robert Evans**, managing director of **Vargas Partners**, an international tax consulting firm in Greenwich, Conn. "But it was clear that wealthy families want and need the same expertise."

Most people simply don't have the assets to warrant the complexity of this type of tax planning. The tax laws are formidable and ever-changing, and each strategy must be custom-designed to address a specific client's situation—and the results are frequently esoteric. "There are no cookie-cutter solutions," adds Evans. "Advisors must have a detailed understanding of their clients and the associated country-specific tax laws."

Tax management on an international scale is a highly specialized discipline that calls for experience and integrity. "Broad and deep tax expertise is essential because there are a lot of 'grey areas' in tax planning," explains Flynn. "The consequences of a questionable strategy or an unproven technique are enormous and, frankly, unacceptable."

149

Stake your claim in one of the most charming cities in Germany and Europe.

Luxury Penthouse Apartments right in the heart of Munich.

The Marienplatz, Viktualienmarkt and Nationaltheater are all just around the corner.

Enjoy the magnificent view of this wonderful city's roofs and towers directly from your home.

More sales information on +49 | 89 | 23 88 54 67-0 or at www.derangerhof.de