





# IAP: Case Study

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## THE CASE

“

Mr. and Mrs. Silva are Brazilian citizens and tax residents. They have three common children, one of which lives in Germany and the others in Brazil. Mr. Silva has an older child from a previous marriage, who lives in Brazil. Mr. and Mrs. Silva were married in Brazil under a community property regime (meaning all assets acquired after the marriage belongs to both in equal shares) and accumulated a significant wealth. Besides several assets in Brazil, the Silvas own real estate in Italy, which is currently rented, investments worldwide through a BVI company, and direct stock investments in England.

Unexpected event: Mr. Silva suddenly passed away in a Helicopter accident, leaving no Will or other wealth planning structure in place.

”



## KEY POINTS

- 1 Tax residency and Nationality
- 2 Ownership of a BVI company
- 3 Inheritance and Estate Tax (Brazil and worldwide) issues
- 4 Italy and Brasil have a Tax Treaty in place, but there is none between Brazil and Germany or England
- 5 Direct stock investments
- 6 Real Estate in Italy
- 7 Mr. Silva's estate settlement follows Brazilian inheritance laws, with potential implications for properties abroad (Real Estate, BVI entity, Direct investments, etc.)



## QUESTION TOPICS

- 1 What inheritance law(s) is/are applicable – only Brazilian or also others regarding foreign assets?
- 2 Would there be a conflict of laws regarding different assets and domicile?
- 3 What does the client need in terms of estate administration in the different jurisdictions?
- 4 Why would Mr. and Mrs. Silva die without a will or other planning, even after accumulating significant wealth?
- 5 How could/should the heirs (wife and children?) distribute the assets?
- 6 What countries levy estate/inheritance tax? Are there tax credits, if any?
- 7 How would a Tax Treaty apply?



# Contact Info



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