

**Private Client Law Bulletin****Advice for Buying Property Abroad – Part II  
Administration of Foreign Assets**

Last September we issued a Private Client Bulletin (no.38) called “Advice for buying property abroad”, in which we highlighted the complexities of owning property in different jurisdictions and the succession issues which may restrict the transfer of assets following death.

The laws of succession dictate who will receive a deceased person’s estate on death and vary from country to country. A secondary issue is the administration of an estate which includes foreign assets and the local rules that may apply as regards accessing those assets.

Estate planning involves the structuring of assets in the most efficient way, both in terms of tax planning and in terms of realising the investments as easily as possible following death. This article considers ways to minimise the administration requirements on death. However, the administration of the assets should not be considered in isolation and advice should also be sought regarding the local succession laws and tax consequences.

We have set out below some key estate planning tips:

**Joint Accounts**

A joint bank account can usually be accessed by the surviving owner on death and may pass automatically to the surviving owner, so can delay the need to obtain a Grant until second death. This is often convenient if the joint owners are partners but could also apply in other circumstances.

**Use of Company Structures**

It is possible to own property and other assets via a company structure and so change the location of the asset. Instead of owning a property in a particular jurisdiction, the deceased owns shares in the company which holds that property and can choose the location of the company dependent on individual circumstances. This could be especially useful for a foreign domiciliary who transfers his ownership of a property in the UK to an offshore company, which may save Inheritance Tax.

**Use of Trusts**

Trusts are a useful way of transferring ownership of assets but retaining some level of control (even post-death). If assets have been transferred to a trust pre-death, this could avoid the need for complex administration on death and the deceased has already exercised control over the distribution of the assets. However, local advice must be sought as trusts are not recognised in all jurisdictions.

Clearly the above must be planned in line with the tax position of the individuals involved. Brabners Chaffe Street can provide advice on structuring foreign assets and can call on connections in various jurisdictions to help ensure that your client’s affairs are in order and both the tax and legal implications of owning property outside the UK are taken into consideration.

If you require any specific advice in connection with the material contained in this bulletin, or on any other Private Client issues, please contact: Duncan Bailey in Liverpool on 0151 600 3451, Richard Bate in Manchester on 0161 836 8840 or Stephen Marriott in Preston on 01772 229 816.

If you no longer wish to receive the bulletin please let us know by return e-mail to [kimberley.malcolm@brabnerscs.com](mailto:kimberley.malcolm@brabnerscs.com)

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