

## High Net Worth Individual: Case USA/NL

### A] Prelude

As an actual case might clearly show which facts and aspects are relevant for a HNWI, we will now summarize a recent case.

### B] Personal Situation

- Our client is U.S. Person and SVP at an international consultancy firm.
- He has been living in The Netherlands for some years with his wife and three daughters.
- He has a number of U.S. / UK / Dutch Pension Claims.
- He has houses, investment accounts and risk coverage plans in the U.S. and The Netherlands.
- The parents of both our client and his wife live in the U.S.. Each have a number of not yet paid-out U.S. Pension Plans and investment accounts.
- Our client and both parents each have substantial assets.

### C] Analysis

- Regarding pension optimization we showed our client which highly attractive options he has for (partially retro-actively) extra investing in the Dutch Pension Plan with vast tax benefits.
- And how to have the lowest overall tax exposure from the pay-out of the U.S. /UK Pension Claims. In which aspect the stipulations of both Double Tax Treaties are relevant.
- We advised their parents how to get the best pay-out with the lowest overall tax exposure of their U.S. Pension Claims. Also how to best structure their estate taking into account the U.S. Federal/State Estate Tax and how this relates to the Double Tax Treaty with The Netherlands.
- Regarding investments we provided our client several scenarios regarding how to differentiate between short/mid/long term investments.
- We have informed our client of the inheritance tax exposure they face if he does not start to have and implement a plan of in time shifting assets to their daughters.

### D] Conclusion

- Our client started with using all pension related tax benefits regarding especially his Dutch/UK Pension Claims.
- In the end our client made a decision to what extent he preferred to use other tax benefits and to what extent he preferred to have additional flexible capital in order to also partially participate in interesting start-ups.
- The pay-out of the U.S. Pension Claims of the parents will be done at the lowest possible overall income tax and inheritance tax exposure.
- Our client now has a clear plan how to shift capital towards his three daughters in order to prevent high inheritance tax later on.
- Our client will also take care of the desired Will stipulation by using a notary with international specialization.