ADDRESSING THE THREE COMMON PROBLEMS OF CROSS-BORDER INHERITANCES AND DONATIONS

THE THREE MAIN PROBLEMS

Double or multiple taxation
- residence vs situs
- residence vs residence
- situs vs situs
- different taxable persons
- different types of taxes

Discrimination
Application of less favorable provisions to cross-border inheritances and donations

Administrative difficulties
- Burdensome duplication/multiplication of procedures
- Delays

THE OECD IHTMTC HAS CERTAIN SHORTCOMINGS...

Limited scope
Taxes covered
The tie-breaker rule
Triangular situations
Conflicts of qualification
Non-discrimination provision
Old Mutual Agreement procedure
Old and limited exchange of information provision

... AND SHOULD BE UPDATED

Updated wording
Demarcation of taxes covered
Consistency with the nature of taxes covered

ONE INHERITANCE - ONE INHERITANCE TAX?

The suggestion of the 2015 inheritance tax report
Application within the EU