

# Dixcart Domiciles

A W O R L D O F O P T I O N S A W A I T

Quarterly | May 2020

## 8 steps to successful succession planning

Why there is a rise in succession planning and structuring family wealth

## Central London Commercial Property Market

An overview of 2019  
and an outlook to 2020

## Finding luxury opportunity in Africa's wealthiest city Johannesburg: the financial heart of Africa



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EDITOR'S NOTE • MAY EDITION 2020

**T**he world has changed drastically this year, in an almost unprecedented and highly volatile way. The COVID-19 pandemic is driving high-net-worth individuals to reconsider their investments and the concept of what a secure investment would be. It is more pertinent than ever to consider how best to safeguard their families, and their wealth, against future volatility. The rapid impact of the Coronavirus is not sparing anyone; it is unsurprising that in such a volatile environment, more forward-thinking investors are already mitigating future risk by increasingly considering their post-pandemic planning and reviewing their wealth interests by diversifying through real estate-linked investment migration programs.

Real Estate remains a resilient investment solution, and when linked to the right of residence or citizenship is a true added value component to any wealth or risk management plan. It, of course, contributes

positively to the economic health of the countries that offer these programmes. Global mobility and flexibility is more key now than ever. As the dust settles on this testing time, our global distribution will be inevitably impacted as individuals with means, actively seek a move away from ill-governed and resourced countries in favour of those with the strong basic pillars of a successful society, such as security, healthcare and education.

It is important however, in such times, to remain calm and make steady, long term decisions. A reliable hedge and back-up plan offering global mobility, makes securing an alternative residence or citizenship one of the wisest and sustainable moves one can make these days. I trust the articles to come add value to this decision making process and I welcome you to contact me or your preferred Dixcart Domiciles member for further information.

*- Michael Maxwell.*

## FEATURES

- 05 **Routes to UK Citizenship**  
Looking at all of the routes to UK citizenship and possible taxation
- 09 **Covid-19 and UK Immigration**  
Guidance from the Home Office
- 10 **Central London Commercial Property Market**
- 14 **Thinking Ahead - Mobility is Key**  
Considerations for 2021 and why you might want a second passport
- 16 **Living or Retiring Overseas**  
Consider Guernsey or the Isle of Man for easy relocation
- 20 **Finding Luxury and Opportunity in Africa's Wealthiest City**
- 26 **Increased Interest in Succession Planning**  
8 steps to successful succession planning

## REGULARS

- 02 **Editor's Note**  
Here the latest insights from Michael Maxwell - Head of Dixcart Domiciles
- 24 **Spotlight on**  
This edition takes a look at Cyprus and the lifestyle on offer from this sunny island
- 34 **Checklist**  
Residence, Citizenship and Relocation Checklist - helping clients with pre-exit & pre-arrival planning
- 35 **Dixcart News**  
Find out what's going on in the Dixcart Group and where Dixcart Managers are travelling next

## FOOD & DRINK

- 30 **Taste of Malta**  
A typical Maltese rabbit stew recipe to enjoy with the family
- 31 **Freshly Baked...**  
Portugal's iconic dessert - Pastel de Nata
- 32 **England's wine**  
A rise in the English wine market
- 32 **Local Cypriot Beer**  
The island's favourite local beer
- 33 **Taste of Nevis**  
Locally caught lobster and seafood







# ROUTES TO UK CITIZENSHIP

Vincent Chung, Dixcart Immigration Lawyer, summarises some of the available routes to UK citizenship.

When we talk to prospective clients wanting to move to the UK, one of the first things they tell us is that they wish to apply for “permanent residence” in the UK. That is unfortunately not something that can be achieved from the start of the journey. Instead, it is necessary to choose a “route” which gives the option to apply for permanent settlement in the UK (indefinite leave to remain or “ILR” for short) towards the end of the journey, and subsequently British citizenship if required.

**What do you want to do in the UK?**  
It is important to establish this at the start of the process as this will help inform what visa category or categories are available. For example, if you want to study full-time, then a work visa is not suitable, but if you only want to study full-time then a student visa isn’t necessarily the best option either as it is not a route that allows individuals to apply for ILR.

**What visa options are available?**  
The table below sets out some

of the more popular visa options which all provide a route to ILR (and British citizenship), although there are other options available. For instance, although the UK is no longer a member of the EU, EEA nationals can still come to the UK under existing EU free movement rules and/or under the EU Settlement Scheme.

It is expected that from January 2021, there will be a new UK immigration system which will apply uniformly to all new non-EEA and EEA nationals wishing to come to the UK.

VISA CATEGORY	MAIN REQUIREMENT (other requirements also apply)	VISA VALIDITY
Tier 1 (Investor)	Have a minimum of £2 million available to invest in qualifying UK investments, usually for 5 years.	Initial - up to 3 years and 4 months Extension - 2 years
Tier 2 (General)	Have a suitable job offer from a UK organisation with a Tier 2 (General) sponsor licence.	Initial - up to 5 years and 14 days Extension - up to 5 years (the total maximum time allowed between the Initial and Extension visa is 6 years altogether).
Innovator	Have been approved by an “endorsing body” to set-up and run a business(es) in the UK.	Initial - 3 years Extension - 3 years
“Sole Rep”	An overseas business wishes to send a senior employee, who is not a majority shareholder, to the UK to set up its first UK establishment.	Initial - 3 years Extension - 2 years





Broadly speaking, the Tier 1 (Investor) visa allows most flexibility as it is possible to work, be self-employed, and/or study, all without sponsorship. On the other hand, the other categories are strictly limited to the purpose for which it has been granted for. For example:

- Tier 2 (General) visa holders can only work for their sponsoring company – in limited circumstances it may be possible to take up secondary and/or supplementary employment.
- Innovator visa holders can only set-up and run the business or businesses they have established.
- “Sole Rep” visa holders

should only be working full-time as a representative of the overseas business.

When it is time to apply for an extension, it is important to be able to show that you continue to meet the requirements of the particular visa category.

#### What about family members?

An individual applying as a “main applicant” in the above categories can be joined by their family (i.e. partner and children) as “dependants”. Children must be under 18 years old when they make their application for their first dependant visa, otherwise they will need to apply for an appropriate visa in their own right.

A family member's right to be in the UK as a dependant, is entirely linked to the main applicant having a valid visa. Apart from that, dependants usually have the flexibility to take up employment, be self-employed, and/or take-up full-time studies, all without additional sponsorship.

#### When will I be eligible to apply for permanent settlement/ ILR?

In most cases, the qualifying period (the time it takes) to be eligible to apply for ILR is 5 years. If you change visa category part way through, then the time will reset. For example:

- May 2020 – Raoul came to the UK on a Sole Rep visa

- May 2025 – if all goes well, this is when he will be eligible to apply for ILR under the Sole Rep visa category
- July 2022 – Raoul successfully applied to change from the Sole Rep visa to the Tier 2 (General) visa category
- July 2027 – if all goes well, this is when he will be eligible to apply for ILR under the Tier 2 (General) category

However, it is not enough to be on the same visa category over the qualifying period. Absences from the UK can't exceed 180 days in any 12-month period, over the qualifying period, which applies to both the main applicant and dependant partner. There are also other requirements which need to be met.

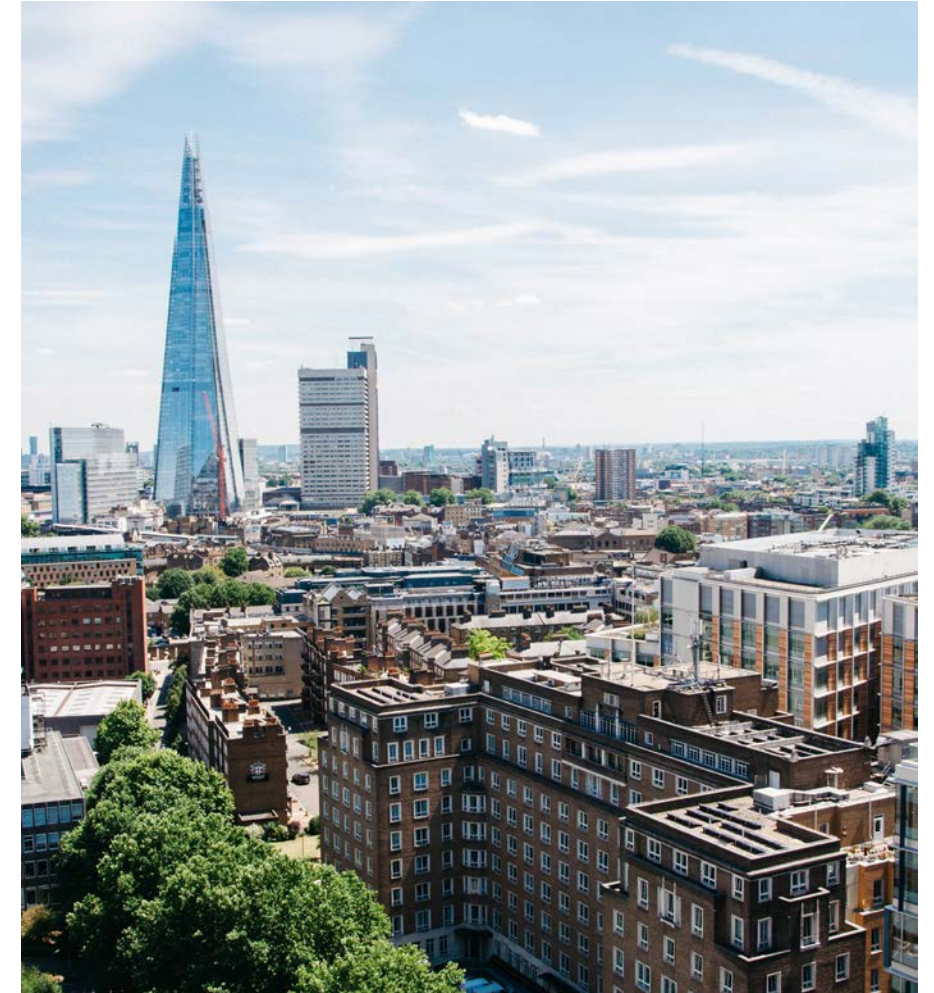
For Tier 1 (Investor) visa holders, the qualifying period may be reduced to 3 years or 2 years, if they invest at least £5 million or £10 million respectively. For Innovator visa holders, the qualifying period is 3 years.

The qualifying period remains at 5 years for dependants and they will only be eligible to apply for ILR if the main applicant either applies for or holds ILR status themselves.

Once an individual has been granted ILR, they are not required to apply to become a British citizen, but it is worth remembering that ILR status can be lost. This may be an important consideration for foreign nationals who are from a country which does not allow dual nationality. It is worth noting that the UK allows dual nationality.

#### Applying to become a British citizen

If an individual wants to apply



to become a British citizen, they will usually need to have held ILR status for at least 12 months and have been living in the UK in the 5-year period immediately before the application. Another key requirement is that absences from the UK cannot usually exceed 450 days in that 5-year period, with no more than 90 days absences in the last 12 months. The residence requirements are slightly different if you are married to or in a civil partnership with a British citizen.

If your application is successful, you will only become a British citizen once you attend your citizenship ceremony, at which point, you will be eligible to apply for your British

passport, bringing an end to your immigration journey. ■

*The UK immigration system can be difficult to navigate around. If you have any questions about this article or would like to chat with our UK immigration team, please feel free to get in touch: [advice.uk@dixcart.com](mailto:advice.uk@dixcart.com).*





# COVID-19 AND UK IMMIGRATION

**D**uring these strange times, it can be difficult to know what to do. Unfortunately, the coronavirus knows of no borders and has affected so many people across the globe. From an immigration perspective, the Home Office has issued several concessions, taking into account travel restrictions and the application centres being closed worldwide. We give a short

summary of some of the available concessions as at 4 May 2020.

## **For individuals in the UK**

If you are in the UK and your immigration permission expires between 24 January 2020 and 31 May 2020, there are currently 2 main options available.

The first is to submit a short online form to the Home Office, requesting a temporary extension until 31 May 2020. This

concession is applicable if you can't leave the UK because of travel restrictions or self-isolation related to COVID-19.

The second option is to apply to stay in the UK longer-term. The Home Office is allowing visa applications to be submitted from within the UK, even where you would usually need to apply for a visa from your home country. All the requirements of the new visa category still need to be met.

There are also numerous concessions for those already in the UK, whose visa might not be expiring within the above dates but may still be affected. For instance, the job creation requirement has been relaxed for Tier 1 (Entrepreneur) visa holders. The 12-month period can be made up of multiple jobs across different months.

## **For individuals outside the UK**

If you don't already have a UK visa, it is still possible to submit online visa applications. However, it will not be considered substantively as it is not possible to attend to enrol your biometrics.

You may still wish to submit an online application as this will likely "lock-in" any time-restricted requirements. Once the application centres are re-opened, there will likely be a backlog and/or surge in applications, so submitting a visa application sooner rather than later seems to be one of the better strategies.

Where you are a Global Talent, Start-up, or Innovator visa



applicant and your endorsement has expired as you have not been able to travel to the UK, you may still be eligible for a visa. The Home Office will consider applications on a case-by-case basis.

If your passport has been endorsed with a 30-day UK entry visa sticker for work, study or to join family, and has expired or is due to expire, you can contact

the Home Office to request a free replacement entry visa sticker with new validity dates. The process will be available until the end of 2020.

We have not covered all immigration concessions in this summary article, as the Home Office concessions can and do change at short notice. It is important to seek advice from a qualified adviser and our UK immigration team will be happy to speak with you. ■

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# CENTRAL LONDON COMMERCIAL PROPERTY MARKET

*A review of 2019 and an outlook to 2020*

2019 was an understandably muted year for the London commercial property market. The dreaded B-word and December elections kept investors biting their nails until the very end of the year – a fact reflected in both the West End (£5.14bn) and City (£8.18bn) investment turnovers coming in over 30% down vs 2018. But although December is never a stranger to a flourish of pre-year-end investments, this time it saw a dramatic boost which swayed the full year results to a staggering degree.

Following the Conservative majority win and increased Brexit clarity, investors started to re-engage. December alone accounted for 31% in the West End (4 deals, £1.08bn) and 21% in the City (5 deals, £1.04bn) – and these figures would have been even more pronounced without Citigroup's standout acquisition of their own office in Canary Wharf for £1.4bn in April.

Topping December's deals was Ponte Gadea's (owned by Amancio Ortega) acquisition of The Post Building on New Oxford Street, WC1; £607.5m and a capital value £2,025 per sq ft. This is the largest single asset trade in the history of the West End, the only new build non-tower/non-square to secure sub 4% initial yield and a record capital value per sq ft for the sub-market.



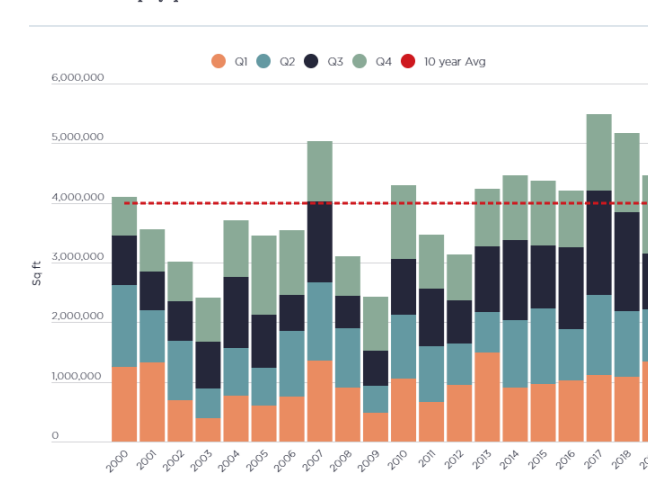
Though not quite so record breaking, another notable December deal was 100 Cheapside in the City, bought by KWAP (Malaysia's largest Pension Fund (also Malaysia's second deal for the month)) for £141m and a capital value of £1,385 per sq ft - a very strong price per sq ft for the City, especially in light of its leasehold tenure.

Similar to the investment market, both leasing markets were also boosted with a

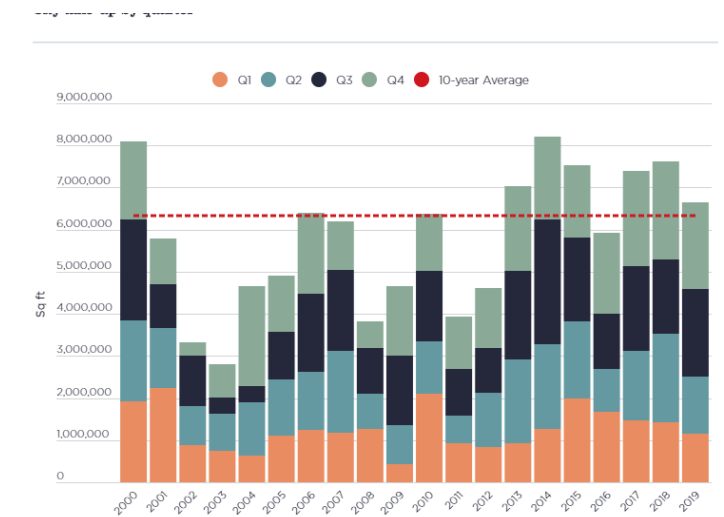
busy December proving their strength regardless of external uncertainties. Savills quote that the West End's c.650k sq ft take-up was the highest monthly take-up in nearly 10 years and helped total take-up to 3.8m sq ft, overtaking the 10-year average of 3.5m sq ft. City take-up was 6.7m sq ft, 5% above the 10-year average.

Meanwhile, development activity in the office market is close to record low levels. The 2020 pipeline in the City is

West End take-up by quarter



Source: Savills Research



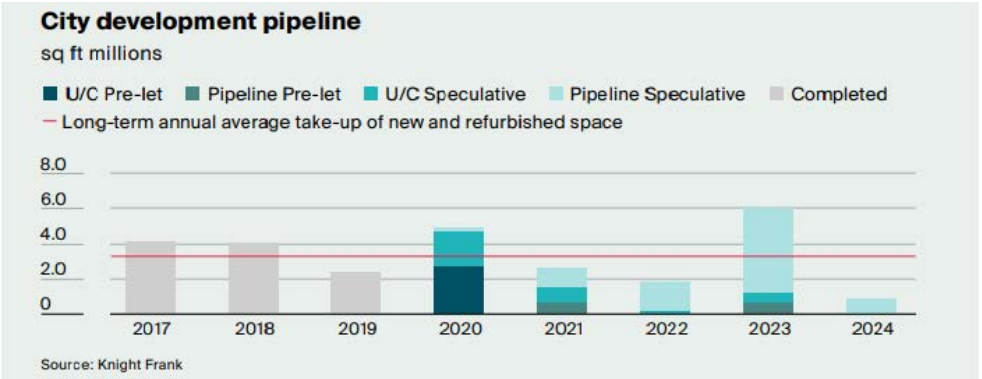
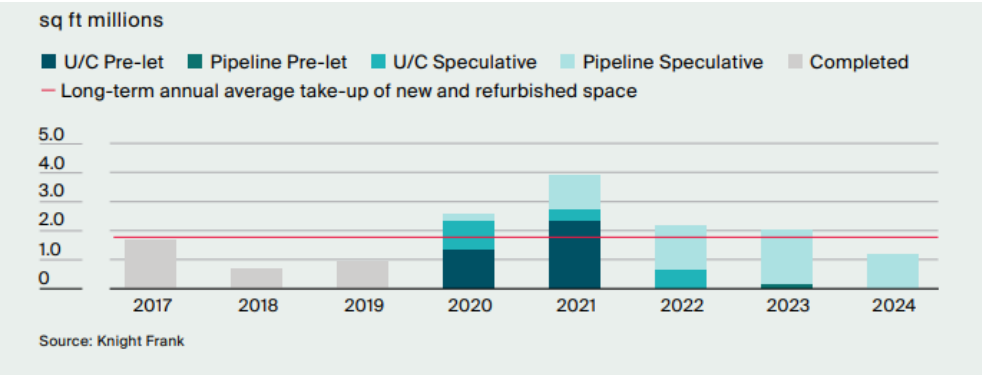
Source: Savills Research



nearly 50% pre let and in the West End this figure is closer to 60%. This supply stranglehold is most significant for large space requirements (100k sq ft +). Knight Frank are tracking 30 businesses for this size and yet there are only 16 buildings available that can match those requirements. This combination of strong demand and subdued development has resulted in modest vacancy rates (West End, 4.4%. The City, 5.5%) and led to rising rents: prime West End rents are up over 10% on the previous year, City rents 4%.

Looking ahead to 2020, it is clear to see that London will continue to attract the world's most elite investors - Knight Frank report an astounding international collective wallet of £48bn wanting to invest. London's enduring challenge remains where to find stock to invest in - a similar "water uphill" scenario to 2019. Frequent is a bar-side story from investors (me included), on receiving a (sometimes stellar) offer for a building, immediately having to reply "Thank you very much, but what will I do with the money?!"

Given that interest rates remain low and talks are of them



being lowered, it is likely that many investors will refinance rather than sell, further choking stock numbers.

The robustness of London's rental market has helped ensure Investment values have kept high and will continue to do so. Rental growth forecasts are looking attractive; Knight Frank are predicting headline

office rents rising by 15.7% in core West End locations by the end of 2024 and City core rents to increase by a huge 20% over the same period.

Landlords are having to be more acutely aware that occupational demand has an ever-increasing focus on user experience and agility. Employee experience and their inter-active



WEST END		End Core	
	2019	£115.00	9.50%
	2020	£120.00	4.30%
	2021	£122.00	1.70%
	2022	£125.00	2.50%
	2023	£129.00	3.20%
	2024	£133.00	3.10%
			15.70%

CITY		City Core	
	2019	£72.50	3.60%
	2020	£79.50	9.70%
	2021	£82.50	3.80%
	2022	£84.00	1.80%
	2023	£86.00	2.40%
	2024	£87.00	1.20%
			20.00%

engagement with that building is now a key component to a company's occupational strategy. What used to be a hygiene factor is now a key area to drive their competitiveness.

From an occupier viewpoint, the nature of corporate space is more selective. Businesses are swaying towards quality and have shown a willingness to pay premiums, not only for high-quality accommodation, but also if the building itself is sustainable and supports a company's eco-friendly ethos. Leasing agents predict seeing fewer negotiations over rent per sq ft and incentives, and instead realising that quality

can aid productivity and enhance staff employment and retention; both of which, if poor, could make a few property costs seem rather trite.

London has an extraordinary ability to morph and remould with whatever is thrown at it – and with increased certainty now and all of these growth drivers, its continued prosperity is assured. ■

James Neary is a family office real estate specialist with over 16 years of experience in central London investment. He has worked for UHNWs from UAE, USA and Hong Kong and been involved in over \$1bn of

transactions in the last five years alone. He has now set up his own firm, Mavuno Ltd, consulting for family offices in all aspects of real estate.

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# Thinking Ahead - Mobility is Key

Second citizenship is a great lifestyle choice – but what about the rest of your family's future?



There are a number of programmes around the world that offer citizenship, and in today's ever-changing world, obtaining second residency and being in possession of a second passport, delivers much more than just a document for ease of travel. A second passport can give you freedom of movement, of course, but can also offer economic and financial stability, business opportunities and tax efficiencies.

But what about family safety and family legacy? Increasingly, these are now becoming driving factors for applying for dual citizenship. The Portuguese Golden Visa provides a residence

visa in return for an investment ranging from €350,000 to €1,000,000, without the requirement for a long stay in Portugal. The right to reside in a European country, without having to stay there for more than 7 days a year can be very appealing. Portugal is a sound solution for non-EU citizens, investors, and families looking for second citizenship, as in the sixth year of residency, individuals can apply for a Portuguese passport.

On the other hand, individuals may want to enter a citizenship scheme with the certainty of a passport in the near term. Taxation by nationality is increasingly being considered by some countries

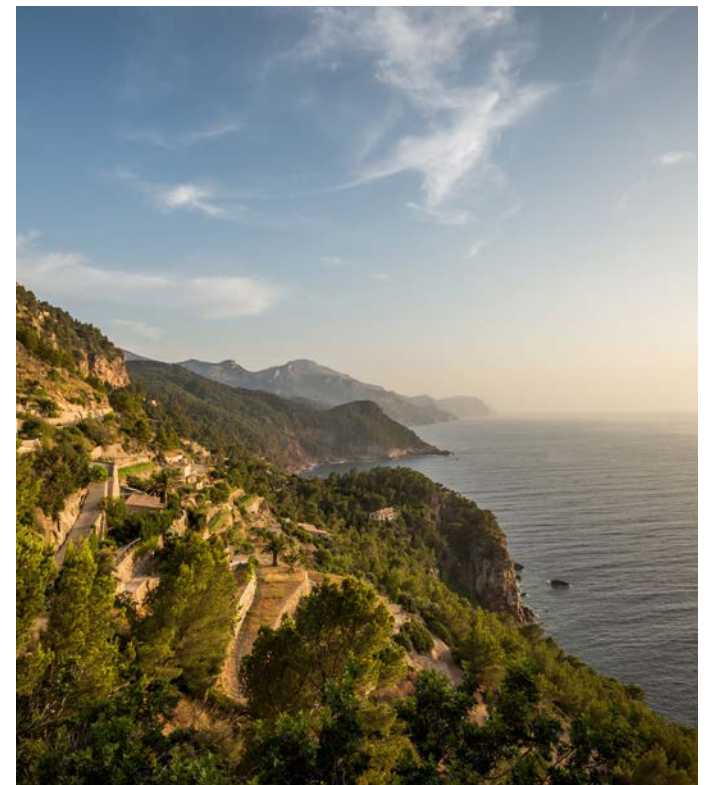
and this has led to a strong demand for Cyprus, Maltese and St Kitts & Nevis citizenship.

Cyprus is one of the EU's top hotspots in terms of relocation, with the Cyprus Investment Programme. It offers a good value proposition and the fastest route to EU citizenship, plus 320 days of sunshine! If you make two mandatory donations, each a minimum of €75,000, and a minimum investment of €2,000,000 into property, it is possible to acquire Cyprus citizenship, usually within 6 months.

The Malta passport scheme is also an attractive and well sought-after programme. By making a one-off donation of €650,000 (based on a single person applicant), plus investing €150,000 for 5 years in Government bonds or Maltese Listed companies, and buying a property with a price of at least €350,000 and holding it for 5 years, it is possible to gain immediate residency and a Maltese passport within 13 months.

To gain a passport can take a reasonable period of time, with a number of programmes and some individuals may need a more immediate citizenship solution. St Kitts and Nevis may be a cost-effective solution with the Citizenship by Investment proving to be a popular programme for many individuals. It can also provide an appropriate option for individuals who are waiting for a residence visa in another country to be processed, but need to obtain a passport in the short-term. Passports can usually be obtained within 3 months from the date of application, or for an additional fee, applications can be fast-tracked, and passports received within as little as 45 days. This is one of the quickest ways to obtain a second passport.

It is also popular because it offers the opportunity to travel visa free to 152 countries around the world and individuals do not have to travel to St Kitts & Nevis to apply for the passport



(as long as they use a registered agent on the island), neither are there annual residency rules in order to maintain the passport.

There are 3 different investment routes under the St Kitts & Nevis Citizenship by Investment Programme and applicants can include parents, with a minimum age of 55 and children up to the age of 30, on their application so citizenship can be passed on to future generations. ■







Covid-19 has made us all stop and think about what matters most in life and what we consider to be our main priorities. **Bridget Carman** explains why many individuals are now considering moving or retiring abroad

**W**here we live and what our day-to-day lifestyle looks like is now a huge consideration. The Covid-19 pandemic has meant that people and their families are spending more time together and finding alternative ways to keep occupied, centred around the family home.

Whilst initially the enforced changes were viewed as restrictive, many have found these changes increasingly attractive, with more focus on family life and activities such as

family exercise, increased levels of home baking and cooking, and mind calming and mind-expanding activities, coupled with a deeper appreciation of our environment. There is increased realisation that many people do not have to travel to an office in a city in order to meet their work obligations and with this realisation there is more focus on the location of the family home and the attractions of its immediate location.

One way to achieve this is to move jurisdiction and a small island destination can be

of appeal. Not only is the lifestyle refreshing, but an island can be ring-fenced rapidly, as and when a crisis, occurs. The flow of people in and out of an island can be restricted easily and quickly, if necessary. Two locations directly worthy of consideration are Guernsey and the Isle of Man, just off the coast of the UK.

The island of Guernsey is the second largest of the Channel Islands, which are situated in the English Channel close to the French coast of Normandy. It is well known for its temperate climate, relaxed high quality of

living and has a quintessential British charm.

In addition to Guernsey, the island of Sark falls within the Bailiwick of Guernsey. Sark is a small island (5.44 square kilometres), with a population of approximately 600 and has no motorised transport.

The island of Guernsey is about 63.4 square kilometres, with almost the same area of stunning coastline. It has an approximate population of 65,000, with a warm and thriving community and combines many of the reassuring elements of UK culture, with the benefits of living abroad.

The Bailiwick of Guernsey is autonomous from the UK, being an independent jurisdiction, with its own democratically elected Parliament, a straight-forward and beneficial fiscal regime and with full control over island laws, budgets, and levels of taxation. Guernsey has introduced several appealing changes to the tax system over the last few years, especially for individuals relocating to the island.

There is no capital gains tax, inheritance tax, wealth tax,

VAT or goods and services tax in Guernsey. Individuals have a tax-free allowance of £11,000 on Guernsey source income with personal income tax charged at a flat rate of 20%. There is no corporation tax for the majority of non-finance related companies.

Residence in Guernsey is dependent on the number of days

spent on the island and there are different levels of taxation available. For Guernsey income tax purposes an individual may be 'resident', 'solely resident', or 'principally resident': for more information regarding the precise definitions and current tax rates/allowances depending on your residence status, please get in touch with our Guernsey office at [advice.guernsey@dixcart.com](mailto:advice.guernsey@dixcart.com).

An individual who is resident, but not solely or principally resident can elect to be taxed on Guernsey source income only, subject to a minimum charge of £30,000. Any additional income earned outside of Guernsey, will not be taxed. Alternatively, an individual who is resident, but not solely or principally resident, can choose, if they wish, to be taxed on their worldwide income.

In 2018, Guernsey introduced another tax cap for newcomers to the Island. New residents who purchase 'Open Market property', worth at least £1.5 million, or who commit to spend a minimum of £50,000 in







document duty on the purchase of Open Market property, can benefit by being able to cap their Guernsey source income tax liability at £50,000. The tax cap will apply in the year of permanent arrival in Guernsey, and the subsequent three tax years.

Aside from the tax advantages, there are many other great reasons for relocating to Guernsey. The island is perfect for families; crime is extremely low on the island and the education system is superb. Guernsey offers around 2,000 hours of sun per annum and there is a range of sport and leisure activities available for all ages. These range from coastal walks, cycling, and golf, to surfing, sailing and diving. Guernsey has

a high standard of living, with a wide range of attractive residential properties, a thriving hospitality industry and an eclectic social calendar.

Another island to consider is the Isle of Man, which is situated in the Irish Sea, centrally located between England, Ireland, Scotland and Wales and it is a beautiful place to live. Whilst the island may be small, just 572 square kilometres, with its rugged coastline and rolling hills, it offers plenty of space for families to breathe, relax and enjoy what island life has to offer.

The Isle of Man has been a self-governing Crown Dependency since 1866, and this political independence, combined with its strong democratic values, have enabled the Isle of Man to

be governed efficiently over the past 154 years.

The Isle of Man Government adopts a forward-thinking and pragmatic approach, which allows the close-knit community of approximately 85,000 people to benefit from a healthy and relaxed lifestyle. The Isle of Man Sports Council supports various sport activities, and the island is recognised as having one of the lowest crime rates across Europe. In the past few years, the government has invested in programmes to modernise schools, and transport. In addition, the island has a high-quality workforce and access to a very good health care system.

The Isle of Man is a popular jurisdiction for individuals to take up residence. The

standard rate of personal income tax in the Isle of Man is 10%, with a higher rate of 20%. It is possible for personal annual income tax to be capped at £200,000 (£400,000 for jointly assessed couples) for a period of 5 years for Isle of Man tax resident individuals. There are no capital taxes, no inheritance taxes and no wealth taxes, and last but not least, there is no stamp duty. The Isle of Man operates a system of VAT very much identical to the UK. Isle of Man tax residents must declare their worldwide income, however double taxation relief may be available on income which you have paid foreign tax. In addition, where the election has been made, the tax cap of £200,000 would apply. Please note, to be tax resident in the Isle of Man, the Assessor of Taxes must be

satisfied that there is an intention to establish residence on the island, rather than there being a presence on the island for a temporary purpose.

Granted, even when travel restrictions are lifted, you might not wish to jump on a plane and visit these jurisdictions in person – which is where Dixcart can step in. We have offices located in Guernsey and the Isle of Man and we are always available to provide detailed advice and a look at what life is like, living there. ■

*For more information on life in Guernsey, please contact:*  
[advice.guernsey@dixcart.com](mailto:advice.guernsey@dixcart.com).  
*For advice on life in the Isle of Man, please contact:*  
[advice.iom@dixcart.com](mailto:advice.iom@dixcart.com).



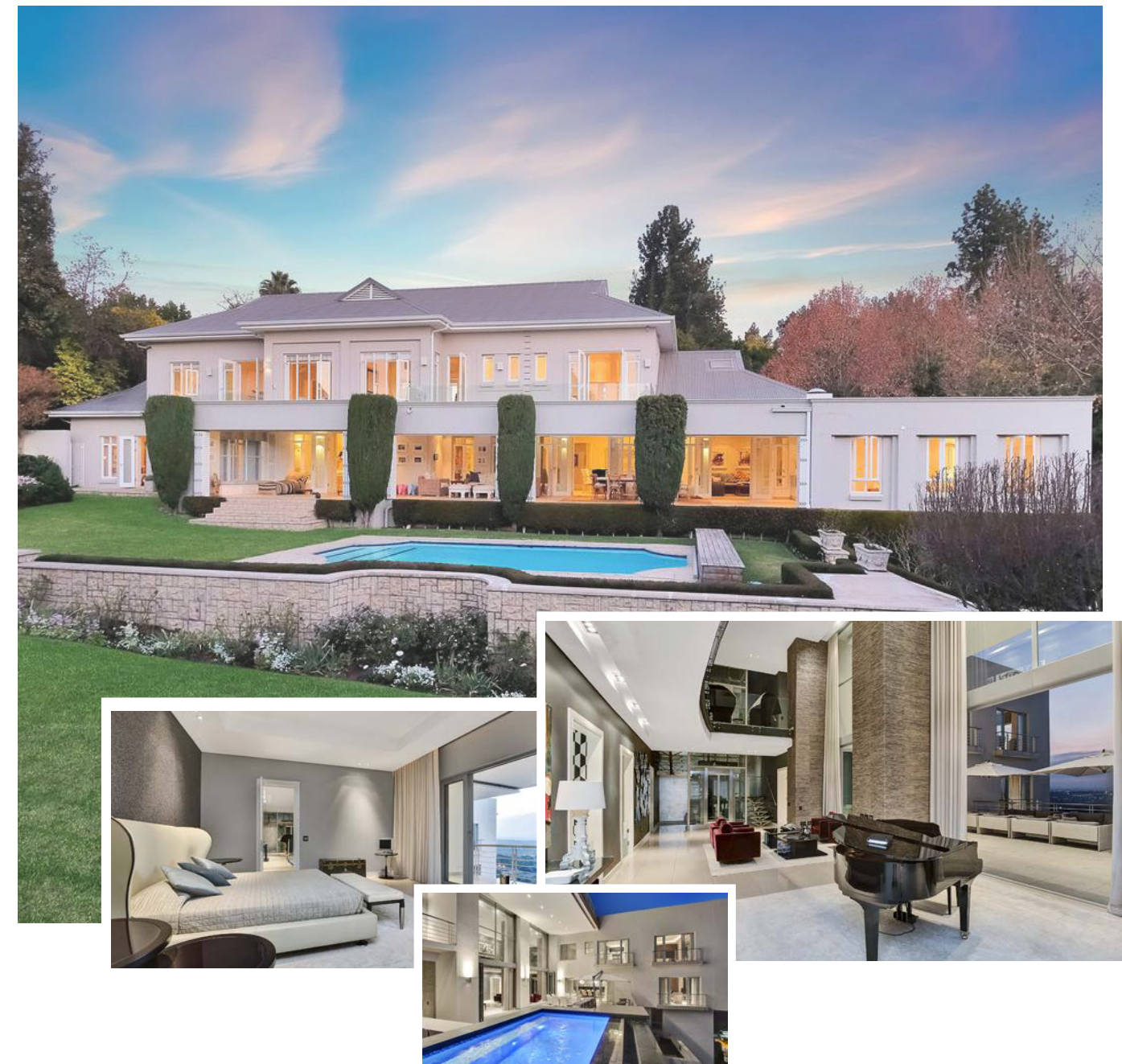


# Finding Luxury and Opportunity in Africa's Wealthiest City

World-renowned as the “City of Gold” because of its mining history, Johannesburg is today the fast-beating financial heart of South Africa – and an increasingly important gateway to the riches of the African continent.

No wonder then, that it is the African metropolis with the highest number of millionaires, executives and top professionals in many fields, as well as some truly exceptional luxury real estate of all kinds, including lavish mansions on lush golf estates, stately private villas in tree-lined boulevards and skyscraper penthouses with glittering views.

Morningside, Sandton, Johannesburg



With a population of almost 8 million, greater Johannesburg has a very special energy that spills over into music, art, dance and many other creative pursuits as well as a strong entrepreneurial culture. Here micro-businesses can and do thrive alongside giant multinational corporations, and the spirit of co-operation is strong.

At the same time, the city offers an enviable lifestyle, with friendly and hospitable residents, a wonderful sunny climate that enables many outdoor activities and sports, excellent private schools and top-class retail and medical facilities.

However, Johannesburg

is also the capital of the Gauteng province, which is one of the most highly developed and industrialised regions in Africa, with advanced banking, communications, transport and financial systems all in place. A new Industrial Development Zone and aerotropolis are also being created around the city's OR Tambo International airport.

According to the 2019 Africa Wealth Report by New World Wealth and AfrAsia Bank, Johannesburg is the wealthiest city in Africa, ahead of Cape Town, Cairo, Lagos, Durban and Nairobi. It is also home to the highest number of dollar millionaires in South Africa,

most of whom live in and around Sandton – the financial hub that is home to the Johannesburg Stock Exchange and the head offices of most of Africa's largest banks and corporates.

This area has already been dubbed the “Manhattan of Africa” and now, with the recent conclusion of the African Continental Free Trade Area Agreement (AfCFTA), Johannesburg is set to grow into an even bigger role as a truly global financial and business centre. As developed markets deliver increasingly unsatisfactory returns, investors are currently turning to emerging markets again, and many are looking at





South Africa – and Johannesburg in particular - as a perfectly-located and well-equipped gateway to the massive trade and business opportunities that are expected to flow from this agreement.

The AfCFTA opens the door to a huge and still largely undeveloped single market that the African Development Bank now estimates will be worth \$3.3 trillion by 2030 - but will offer lucrative prospects even before that. To make the agreement work, for example, governments and private sector investors and contractors will need to work together to build up and maintain the supporting infrastructure, a continent-wide framework of road, rail, energy, digital communications, logistics and financial networks, and there are multibillion dollar possibilities just in this phase.

This will then open the way for every kind of manufacturing, service and

supply company (local and international) to expand into the African market, while others build local import-export and logistics empires supplying both Western and Eastern countries with African products.

This process is set to bring about the biggest shift in commerce since the formation of the World Trade Organisation and in anticipation of the fortunes to be made, astute investors and captains of industry from many other countries are already establishing a corporate base of operations in Johannesburg – and purchasing millions of dollars' worth of luxury apartments and homes in the city's most sought after suburbs.

According to Chas Everitt International, the South African affiliate of the global Luxury Portfolio® real estate network, new luxury apartment blocks in Sandton and the neighbouring areas of Morningside, Hyde Park, Houghton and Rosebank

are among the most sought-after addresses currently, with buyers being prepared to pay more than R60,000/sqm (US\$4,000) for a penthouse in the prime Embassy Towers development in Sandton, and around R48 000/sqm (\$3,200) for luxury apartments overlooking one of the city's top golf courses in Houghton."

The high levels of privacy and personal safety offered by these developments is of course a big attraction for many affluent buyers, as is the convenience of quick and walkable access to vibrant, amenity-rich mixed-use developments like Melrose Arch and Sandton City, which encompass exclusive shops, restaurants, theatres, clubs, museums and galleries as well as their workplaces.

Many of these high-rise apartment towers also offer their affluent residents the same facilities as the superior hotels they frequent when abroad: 24-hour concierge services, in-

house gyms, wellness centres and pools, business centres and places to socialise such as a pool deck and bar or an in-house coffee shop or restaurant.

Most also have full-time, in-house building managers, and some have even expanded their offerings to include gourmet restaurants like Olives & Plates in Embassy Towers, co-working office suites and boardrooms, in-house movie theatres, health spas, community wine cellars, child-care services and even cooking classes, pet grooming services, and rock-climbing walls as well as yoga and aerobics

classes.

In other words, literally everything their affluent residents need is on-property or on-demand – and as a bonus the views of the city beyond the floor-to-ceiling glass walls of their opulent apartments are usually quite spectacular. ■



## Leana Nel International Relocations Expert

International relocations expert Leana Nel started her own real estate company in 1995 and within two months held her first exhibition in London to begin realizing a long-held ambition to market property globally.

The idea took off and she was soon hosting property seminars and exhibitions in The Netherlands, China and Russia as well as the UK. Responding to demand, she then added relocation and immigration assistance to her offering and built up relationships with blue-chip companies worldwide that could facilitate shipping, pet relocation and school searches for her clients as well as visas and work permits.

During 1996 and right up to 2005, Leana says, South Africa was one of the "Big Four" favourite countries for Europeans seeking to migrate, along with Australia, Canada and New Zealand.

The relative weakness of the rand against the pound and Euro made it very attractive to these investors and many became "swallows" who owned a second property in Cape Town, Hermanus or Knysna, for example, and came to South Africa for six months every year to escape the northern hemisphere winters. Many of Leana's overseas clients also invested in properties close to Hoedspruit or the Kruger National Park, where they could live close to nature.

At that time, she says, it was also easier to immigrate to SA by starting a new business or retiring, and interest in the country grew to the point where she was exhibiting at up to 12 international property shows a year, where literally hundreds of people would queue up for information in the hope of relocating to SA.

However, from 2006 onwards and through the Global Financial Crisis of 2008/ 09, Leana also began to assist SA property buyers and investors who were keen to acquire property abroad – and to acquire a second passport via the various "Golden Visa" programmes that were being launched at the time to attract investment back into the ravaged property markets of Europe.

The Golden Visa options offered by Portugal, Malta and Cyprus proved to be especially popular and Leana and Michael Maxwell of Dixcart hosted exhibitions across SA and many seminars for high-net worth individuals who subsequently bought real estate and relocated to these countries with the assistance of the Dixcart team.

Having previously also worked with several real estate groups in SA, Leana has now joined Chas Everitt International – a premier brokerage that is the SA affiliate of the global Luxury Portfolio® network and its parent organization Leading Real Estate Companies of the World®. As the group's international relocations specialist, she will be using the Luxury Portfolio network and her many years of experience specifically to assist clients who wish to acquire property abroad for relocation or investment purposes.

In addition, she will be interacting and co-operating with the 200 other Luxury Portfolio brokerages around the world to maximise the exposure of luxury property in SA to an international audience of high-net worth investors, and providing information and assistance to incoming buyers and investors.

For further information, Leana can be contacted on +27 83 777 9104 or [Leana.Nel@everitt.co.za](mailto:Leana.Nel@everitt.co.za).



# SPOTLIGHT ON: CYPRUS

Cyprus has positioned itself as Europe's prime location for expatriates. If you are considering relocating, Cyprus should be top of your list because of its beneficial tax regime for both individuals and companies.

Cyprus is a great destination if you and your family are considering relocating. It is a beautiful and diverse island, full of plenty to explore, it offers a warm, Mediterranean climate, has an excellent private healthcare sector, a high quality of education, peaceful and friendly community.

The population of Cyprus is approximately 1.2 million, with 180,000 foreign nationals living in Cyprus - there are plenty of beaches for every taste - and though the official language is Greek, English is widely spoken so it is easy to settle in and find your way around.

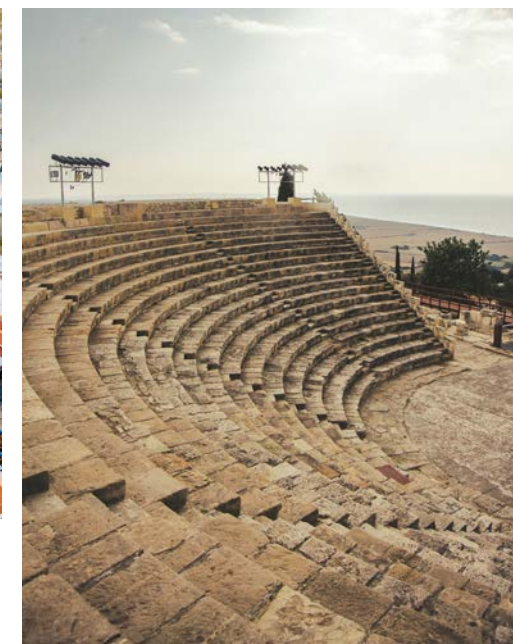
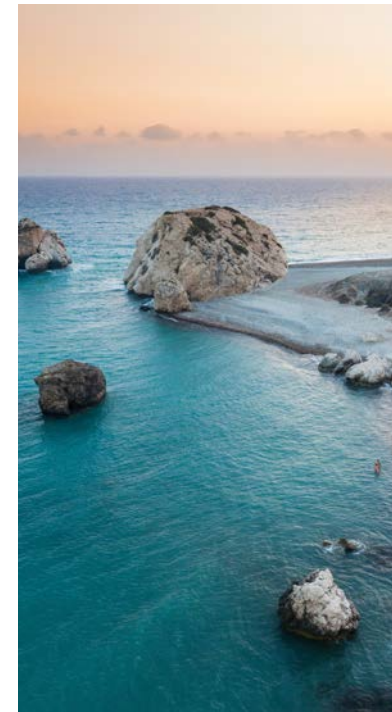
Cyprus is also an extremely attractive destination for high net worth individuals due to its advantageous non-domicile tax regime. Cypriot non-domiciliaries benefit from a zero rate of tax on interest and dividends and these zero tax benefits are enjoyed even if the income has a Cyprus source or is remitted to Cyprus. There are several other tax advantages, including a low rate of tax on foreign pensions, and there are no wealth or inheritance taxes in Cyprus.

There are two options available if you are interested in Living in Cyprus - the Cyprus Investment Programme, which enables you to acquire Cyprus citizenship and visa-free travel to over 150 countries, and the Permanent Residence Permit, which simplifies travel around Europe. Both offer a number of benefits and are available to non-EU nationals seeking to relocate to Cyprus. ■

[CONTACT US](#)

Dixcart Domiciles have staff located in Cyprus who can provide a detailed understanding of the Cyprus Residence Programmes, the obligations that need to be met and the fees involved. We can also assist with applications, draft the relevant documents and submit and monitor the application, should this be required.

[>>> If you would like to visit Cyprus, please let us know.](#)







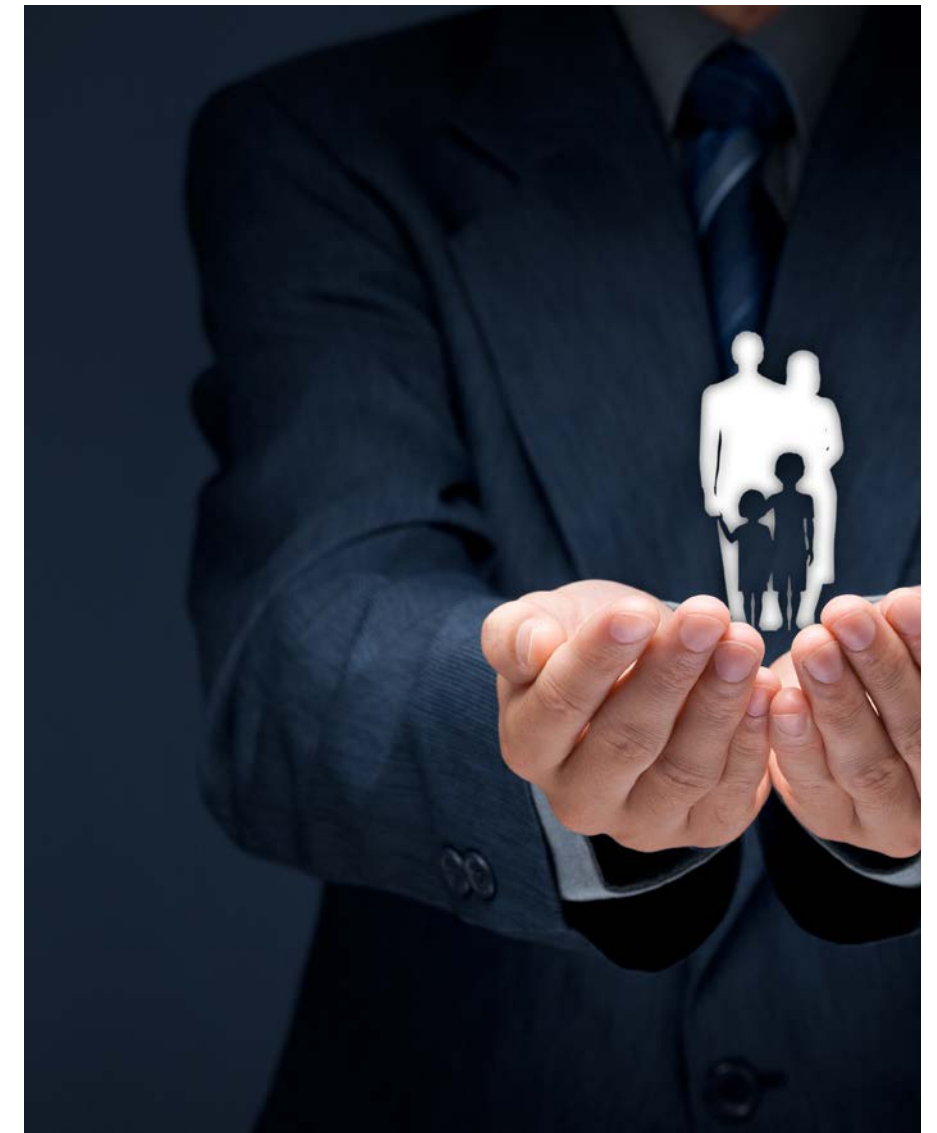
# INCREASED INTEREST IN SUCCESSION PLANNING

Covid-19 has provided a reason for many families to 'take stock' and to put in place, or revise, practical measures regarding succession planning.

Since the breakout of Covid-19, more individuals are now reviewing their estate and putting practical measures in place regarding succession planning. Covid-19 is certainly not the main catalyst for encouraging individuals to review their affairs, it has definitely reinforced the importance of it.

In a number of countries, succession planning can be complex, particularly some Latin American countries and other Civil Law countries, where forced heirship rules still apply. Unless alternative plans are put in place early, at least part of an estate, will be automatically divided between surviving family members, rather than shared according to the individual's preference.

International taxation is another reason why individuals may wish to put structuring measures in place. Many high net worth individuals and families incorporate one of more of a Corporate Family Investment Structure, a Trust or Foundation as part of their planning.



## 8 steps to successful succession planning

1. Identify exactly what the intended outcome of the succession planning should be.
2. Establish policies and set up a review procedure to ensure the adequate preservation and transfer of wealth to the next generation.
3. Review the ownership structure of any relevant business(es) and other assets. Some family businesses may have employees they would also like to include within the planning, just as much as family members.
4. Understand how relevant

5. local laws would apply, in relation to inheritance. Consider where all relevant family members are resident, and also tax resident, and what the implications of this might be regarding the transition of family wealth.
6. Consider or review structuring options, including the use of holding companies and/or family wealth protection vehicles such as family investment companies, foundations, trusts, etc.
7. Review international investment structures, including the holding of real estate, from a tax and asset

8. protection perspective. Confidentiality procedures needs to be developed to deal with relevant confidential information requests from financial institutions and third parties.
9. Identify key successors and their roles, develop open communication amongst family members, especially regarding decision making and ongoing processes.

All of the above steps should be considered in order to protect an individual's, or family's, wealth and/or business(es) in the case of unexpected events occurring; it is also imperative to review the



above steps on a regular basis and seek advice regarding the most appropriate legal structures.

### Corporate Family Investment Structures

A family investment company is a company where the shareholders are drawn from different generations of the same family. The use of a family investment company has grown significantly in recent years, particularly in situations where it has become difficult to pass value into a trust, without incurring immediate tax charges, but there is a desire to continue to have some control and influence over the family's wealth preservation.

For more information regarding the benefits of a family investment company: [Why use a Corporate Family Investment Structure and Why Use a Guernsey Corporation?](#)

### Trusts, Foundations and Private Companies

Trusts continue to be a popular structure when undertaking estate and succession planning and are used by many Common Law jurisdictions. A trust is a very flexible instrument; at a basic level, the concept of a trust is relatively simple: the Settlor places assets in the legal custody of another (Trustee), who holds the assets for the benefit of a third party (the Beneficiary).

The Trustees are those who oversee and control the trust. Their role is to deal with the assets according to the Settlor's wishes and manage the trust on a day-to-day basis. Therefore, the consideration of who is appointed Trustee is extremely important.

In a similar vein, a Foundation can fulfil many of the same functions in Civil Law countries. Assets are transferred to the ownership of the Foundation, which is governed by its Charter and managed by a Council for the benefit of the beneficiaries.

A Private Trust Company (PTC) is a corporate entity authorised to act as a Trustee and is often used as an asset protection vehicle. The use of a PTC can enable the client and his/her family to actively participate in the management of the assets and decision-making process.

Switzerland recognised trusts with the ratification of The Hague Convention on the Law Applicable to Trusts (1985), on 1 July 2007. Switzerland is in the process of enabling its own trust legislation and already trusts from other jurisdictions, formed under their specific rules, are recognised and can be administered in Switzerland. The use of a Swiss company as a Trustee can be attractive with the perceived extra layer of confidentiality afforded by Swiss legislation.

An English, Guernsey, Isle of Man, Maltese or Nevis Law based trust with Swiss Trustees can offer a number of tax efficiencies as well as advantages in terms of wealth preservation and confidentiality. Dixcart can establish and manage such trust

structures. More information regarding the benefits of using a Swiss Trustee can be found here: [The Use of a Swiss Trustee: How and Why?](#)

The Dixcart Group has over forty-five years' experience in assisting clients to run and manage Family Offices. We are very familiar with the issues facing families in this ever-changing international world and have extensive experience in providing trustee services across a number of jurisdictions.

We work with each family wealth structure to coordinate communication with the family and their advisers, or to provide access to, or liaison with additional independent professional advisers. Plans can be put in place to allow for changes in a family's structure and relationships to be recognised. We also make sure that during the implementation of such structures, relevant tax implications are reviewed and there is full transparency. More information can be found here: [Private Client Services: Trusts, Foundations, Family Office.](#) ■



# FOOD & DRINK



- Freshly baked Pastel de Nata - Portugal's iconic dessert
- The best home-cooked recipes from Malta and some tasty light bites
  - Tasty food and drink ideas from around the world





## Taste of Malta: Rabbit Stew or ‘Stuffat tal-Fenek’

**R**abbit stew, or better known in Malta as Stuffat tal-Fenek, is Malta’s national dish. This delicious, homely dish, is, in essence, rabbit cooked ‘the Maltese way’; the meat is put to simmer for a minimum of an hour and a half (in very traditional Maltese households, it could be for up to 24 hours), and then doused in a rich wine and tomato sauce infused with bay leaves.

Most Maltese families will make a large stew out of two or three rabbits at a time. The mealtime is a communal affair so two to three rabbits will ensure a decent portion for everyone. The stew is then served with

roast potatoes, mixed with fennel seeds, and always accompanied by crusty Maltese bread. If rabbit is not your choice of meat, you can substitute with chicken thighs or a whole chicken joint.

Most Mediterranean countries have some version of a rabbit stew, but Malta’s simplistic recipe out shines them all:

### INGREDIENTS

2 rabbits, skinned and jointed  
3/4 bottle of robust red wine  
Approximately 2 wine glasses of water  
2 onions, finely chopped  
4 garlic cloves, peeled and crushed  
8-10 bay leaves  
1 x 400g tomato ‘polpa’ or whole plum tomatoes mashed up  
3 tbsps tomato puree  
2 carrots, peeled and sliced  
6-8 medium potatoes, peeled and roughly chopped  
3 tbs regular olive oil

### METHOD

1. Marinate the rabbit in wine,

- garlic and the bay leaves for 1-2 hours, the night before cooking, if possible. Cover and chill in the fridge.
- When ready to cook, remove the rabbit joints from the marinade, shaking off excess liquid. Heat the olive oil over a high heat in a heavy casserole dish and sear the rabbit on all sides until lightly browned (approx. 4 mins each side). Remove and set aside.
- Lower the heat under the casserole and add the onion and some fresh bay leaves to the pan. Brown the onion gently for around 5 minutes, then add the garlic and continue to fry gently for another minute.
- Add the tomato ‘polpa’ or peeled whole canned tomatoes mashed up and increase the heat. Cook for around 5 minutes, stirring a little, and then add the marinade and bring to the boil. Return the rabbit joints to the pan, give a good shake and top up with water to just cover the rabbit. Cover, return to the boil, and reduce the heat to a medium simmer.
- After 30 minutes, add the sliced carrots, potatoes and tomato puree, shake the pot gently and stir to ensure the vegetables are covered with liquid. Continue to simmer for around 30 minutes.
- After an hour, prop the lid half off to allow the stew to thicken up. Check the rabbit after 15 minutes - the stew is ready when the rabbit is falling off the bone and the root vegetables are tender.

Serve the stew with fennel-seed and olive oil roast potatoes, finely grated parmesan cheese, if you wish, and some crusty bread to mop up the delicious, rich sauce.■

Recipe taken from [The Red Bistro](#).



## Freshly baked

### Portugal’s iconic dessert - Pastel de Nata

**T**his sweet and creamy egg tart is so addictive, it might just become your pastry of choice from now on. Made from flour, butter, eggs, cinnamon and sugar, each bite leaves you wanting more.

First created by monks in the Jerónimos Monastery (a major tourist attraction today and now a UNESCO World Heritage Site) from leftover egg yolks, the monks began selling these tarts to help support the monastery. When the monastery finally closed, the recipe was sold to the eventual owners of the Fábrica de Pastéis de Belém, which opened in 1837 and is still the most popular place to buy them around Lisbon.

Not the easiest dessert to make, and the precise recipe behind Pastéis de Belém success still remains a secret, but they are good fun to try and make yourself if you would like to give it a go: [here is a tutorial](#).



Each region of Portugal, and each baker has their own way of tweaking the original recipe, but the filling and the mouth-watering flaky crust is the

desired outcome for everyone.

Bakeries and pastry shops can be found in abundance in Portugal so be sure to stop and enjoy a pastel de nata, preferably with a cafe (espresso coffee) during your leisurely walks. If in Lisbon, we highly recommend Confeitaria Nacional - one of the more beautiful cafés, in Lisbon, found at the centralised Praça de Figueira, or simply head to Lisbon’s very own Time Out Market where you can find absolutely everything to snack on.





England is home to over 500 vineyards - and whilst not well known - provides some of the best sparkling and still wines.

The most popular grape varieties grown in English vineyards are Chardonnay, Pinot Noir and Bacchus. Bacchus is a German hybrid grape and is more suited to temperate climates, making it rapidly becoming the grape of choice for most English winemakers. Whilst vineyards are found across the whole of England, Hampshire, Sussex and Kent are the most popular as the South and South East has a much calmer and often warmer climate.

In 2015, Champagne Taittinger announced that it was buying a vineyard in Kent and has since started producing English sparkling wine. This is now highly praised for its quality, collecting three Platinum and six Gold medals in the 2018 Decanter World Wine Awards.

Some of our favourite English wines are:

### 1 **Bolney Lychgate Bacchus 2018**

Overseen by three generations of the same family, this white wine offers a freshness and vigour you would only expect from



## England's wine

bacchus. Fantastic in the summer months due to its lingering notes of elderflower and green fruit.

### 2 **Denbies Brokes Botrytis Ortega 2016**

Probably the most expensive English wine available - and for good reason. This dessert wine is irresistible; rich but not cloying you could chew on the preserved fruits and candied vanilla, whilst enjoying hints of citrus and spice and

everything nice.

### 3 **Biddenden Gamay Noir 2018**

English red wines are becoming more popular now. This particular red wine is produced by a famous vineyard in Kent that has been making wine since the 1970s, and boasts a light-bodied style similar to a pinot noir, with cherry and plum favours. It can also be enjoyed chilled.



## Local Cypriot beer

Cyprus' local favourite is Keo. Now holding the lion share of the island's beer market, Keo is an excellent, pale lager, often compared to a pilsner. It is brewed in Limassol (the capital of Cyprus) from the finest malt and hops that have been long matured. It is definitely worth ordering one of these on your next visit.



## Taste of Nevis

### *Locally caught lobster and seafood*

In many parts of the world, lobster is considered a luxury dish, but in the waters of St Kitts & Nevis there is plenty; lobster in some shape or form, is found on practically every menu from the top end restaurants, to the local beach cafés. Head to the Spice Mill on Cockleshell beach for a fine view of Nevis - many cruise ships stop here for visitors to spend the day and the grilled lobster is unmissable. Alternatively, head to Basseterre where you can enjoy this speciality at Ballahoo, overlooking the

circus, or at Fisherman's Wharf on the edge of town, surrounded by other local seafood restaurants, or lounge at Serendipity - a well-established terrace restaurant in Fortlands which sits on a luscious hillside overlooking Basseterre Bay. It catches the sea breeze and some of the best seafood, particularly lionfish which can only be caught by spear-fishing. On your travels, keep your eyes peeled for Mahi Mahi - coconut shrimp and grilled grouper.





# RESIDENCE, CITIZENSHIP AND RELOCATION CHECKLIST

A move of residence can provide opportunities to review your affairs and holding structures. There may well be potential to implement wealth preservation and inheritance provisions, and advantageous strategic investment structures.

Carefully considered pre-exit and pre-arrival planning is essential to ensure a smooth and efficient move. PRIOR TO ARRIVAL IN NEW COUNTRY:

Consider Practical Issues:

1. Travel documents (visas)
2. Formal enrolment in country/ jurisdiction of 'arrival', including communication with tax authorities, healthcare, schooling, etc.

☒ Succession and Inheritance:

1. Confirm which laws govern succession and whether a choice of different jurisdiction law is available.
2. Confirm whether marital/ family laws are affected and whether a choice of different

- jurisdiction law is available.
3. Review estate planning documents (wills, succession and prenuptial documents) and consider the interaction of wills, appropriate for different jurisdictions.

☒ Implications of Transferring Physical Wealth:

1. Family heirlooms, jewellery and works of art (possible ban on export or right of first refusal, etc.). Are import duties applicable?

☒ Before Exit:

1. Confirm arrangements that affect heirs and family that remain behind.
2. Optimal timing of loss of tax residence and exit charges.
3. Consider establishing new banking arrangements to segregate income and gains, if this is relevant to the new residence regime.

☒ Before Arrival:

1. Seek early tax advice from a

- professional advisor.
2. Take advantage of any special tax regimes that are available.
  3. Review if there are any changes to controlled foreign company rules and what the effects may be.
  4. Ensure that previously established companies, trusts, life insurance policies, etc. are compliant.

☒ Gifts and Donations:

1. Confirm whether gifts or donations should be executed in advance of acquiring a new residency.

ONGOING:

- ☒ Annual review of estate planning documents (wills, succession and prenuptial documents).
- ☒ Annual review of trusts arrangements, structures and bank accounts.
- ☒ Annual review of any changes to tax laws and implications in relation to existing agreements and structures.

# THE LATEST NEWS FROM DIXCART DOMIICLES

## A World of Options Await

Obtaining second citizenship or a new residency is an exciting journey which can open up a world of possibilities for you and your family. Dixcart Domiciles can assist you on every step of that journey.

We are delighted to announce the launch of our new website - back in February 2020. [www.dixcart-domiciles.com](http://www.dixcart-domiciles.com)

The website has a new 'look and feel' and details all of the resident and citizenship programmes relating to the jurisdictions below, in further detail.



Cyprus  
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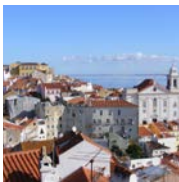
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