



ALICE L. ROKAHR

President

Trident Trust Company (South Dakota) Inc

South Dakota: A Trust Domicile of Choice for International Families

Increasing numbers of international families and their professional advisors are including U.S. trusts in their international tax, asset protection and estate planning.

A number of inter-related factors are fuelling this trend. These include:

- Changing perceptions of the advantages offered by traditional offshore trust domiciles;
- Tax and administrative benefits available through the use of a U.S. trust;
- Access to a stable political environment, the rule of law, low or minimal taxes and an advanced and transparent financial system; and
- The realization by many international families that their planning must be both compliant and transparent, yet protective of their legitimate confidentiality concerns, and that the U.S. can meet these tests.

Situations where a U.S. trust might be advantageous for an international family include:

- An existing foreign grantor trust with U.S. beneficiaries and an aging settlor;

- Property owned by a foreign trust that is used by U.S. beneficiaries;
- A desire by U.S. beneficiaries to avoid the time and costs incurred in complying with U.S. foreign trust reporting rules; and
- Establishment of a new onshore trust by a foreign grantor, with limited exposure to U.S. income or capital gains taxes.

South Dakota is frequently ranked first amongst U.S. trust jurisdictions. Reasons for this leading jurisdiction status include:

- A modern trust regime that is monitored by a standing trust law task force and updated in response to legal and fiscal developments impacting the use of trusts.
- The state's Directed Trusts statute allows owners of closely held businesses to maintain control over the direction and management of the family business.
- By abolishing the Rule Against Perpetuities, assets held in trust can be permanently insulated from the federal transfer tax system—the gift, estate, and generation skipping taxes—allowing the value of the trust's assets to grow more rapidly.
- South Dakota's confidentiality statutes are among the most protective in the U.S.

For more information, please visit www.tridenttrust.com.



TRIDENT TRUST COMPANY (SOUTH DAKOTA) INC is a public trust company licensed by the State of South Dakota. Located in Sioux Falls, we offer a range of fiduciary and administrative services supported by the resources and experience of the Trident Trust Group in 24 jurisdictions. Established nearly 40 years ago, the Group's clients include many of the world's largest banks and brokerage firms, leading law and accounting firms and high net worth individuals and their families. We offer clients access to a wide range of services, from traditional corporate domicile representation to the administration of complex trust and fund structures.