

Guidelines for submission of articles

General

These guidelines are intended to assist contributors and the Editor in producing articles for the IBSA Newsletter and Knowledge Bank. Please read the guidelines prior to preparation of your submission, and follow them to help make the publishing process as smooth and efficient as possible. The Editor will check for compliance with these guidelines and will assist as and where necessary. However, contributors remain responsible for the accuracy of content, particularly with regard to quotations and references. Contributors should also ensure that any copyright requirements are satisfied. If in doubt on any of these points, contact the Editor for clarification.

Content

Topics covered should be tailored to a professional audience and provide accessible information to the advisory and international business structuring community using plain English.

Content should be informative, current, and ideally promote an action in the mind of the reader to gather further information or help him/her in the process of making a decision.

We welcome articles on a variety of topics. Please [contact the Editor](#), Nick Saunders, to discuss your proposed topic.

Suggested articles might include:

- A case study approach which might outline an anonymised, real life example of consultancy, advice and execution; it might identify hurdles and solutions before setting out the optimal course of action and desired outcomes. What can others learn from your experience?
- A perspective piece which might outline the impact of new or proposed regulations in a particular jurisdiction. This could either be from the perspective of a client – such as a business owner or high net worth individual – or from that of an advisory professional.
- A subject-specific piece which might inform the reader about incentives to encourage inward investment in South Africa, for example, how to make the most of Shanghai's free trade zones or how to structure commercial property transactions in Canada.
- An update on more general issues as they relate to a specific country or jurisdiction.

These suggestions are not exhaustive, and other types of article are welcomed. Examples of recent articles can be found in the [Knowledge Bank](#).

Contributors are encouraged to contact the Editor prior to writing to ensure that a given topic is not being covered by another contributor.

Please note

Although opinion pieces are welcomed, contributors should note that the Editor reserves the right to refuse submissions which are of an explicitly political, lobbying or commercial orientation.

Structure

Articles should be written in the third person. They should be between 1,500 and 4,000 words, and accompanied by an abstract no greater than 200 words. Lengthier articles may be accepted where the contributor provides justification to the Editor on submission. Alternatively, if a submission goes into greater detail than considered appropriate for an article, it may be considered for inclusion in the *Reference* section of the Knowledge Bank.

The use of paragraph headings is encouraged, and content should be broken down where appropriate. Please avoid the use of lengthy footnotes – incorporate references within the article instead. Links to external websites are permitted, provided they are to an open access resource, such as a government website, and not for a commercial purpose.

Please feel free to use bold, italics and standard conventions for bullet points, as below:

Grantor trusts

A grantor trust is one whereby the settlor ('grantor') retains control over the income or capital so that the trust income will be deemed to be that of the settlor for taxation purposes. This is also true where another person acting on his instructions retains powers either to subsequently benefit from the trust or to manage and control the investments and eventual distributions of the trust's assets.

In such cases, the transfer of assets to the trust will not be recognised, and indeed no gift tax will be payable, as the 'gift' will be regarded as incomplete. The assets will form part of the grantor's estate on his death, and during his lifetime the grantor must report the trust's income and profits on his personal tax return.

Specifically, a grantor trust will be deemed to exist if:

1. the grantor has retained or has the power to retain a reversionary interest in the trust fund, or if a third party in any way related to the grantor can determine the beneficial interests of the trust, even if such interests exclude his personal benefit;
2. the grantor can benefit in any way from the trust through the exercise of certain administrative powers, or if a third party in any way related to the grantor can revoke the trust so that the assets revert to the grantor;
3. a third party in any way related to the grantor can distribute income to the grantor or his spouse.

Foreign trusts are automatically considered as grantor trusts regardless of the above provisions, unless the grantor can prove that no part of the foreign trust's assets can be paid or accumulated during a taxable year to or for the benefit of any US person. Thus, the grantor of a foreign trust must continue to report the trust's income and profits on his US tax return as his own income and profits. In the event that a foreign trust, which does not fall foul of the grantor trust regulations, is created by a US grantor, gift tax will be payable. Excise tax at 35% may be also imposed on any unrealised gains on the assets transferred into trust, unless the grantor elects to pay US capital gains tax on such unrealised appreciation of assets, or it can be established that tax avoidance is not the principal purpose of the trust's establishment.

Hybrid trusts

A hybrid trust combines elements of both fixed and discretionary trusts. In a hybrid trust, the trustee must pay a certain amount of the trust property to each beneficiary fixed by the settlor. But the trustee has discretion as to how any remaining trust property, once these fixed amounts have been paid out, is to be paid to the beneficiaries.

Cypriot international trusts

The Cypriot international trust was introduced by the International Trusts Law in 1992. It enables a non-resident of Cyprus to create a trust of any property (except immovable property in Cyprus) for the benefit of non-residents (or any charity), with at least one Cypriot-resident trustee. The settlor, any beneficiary or the local trustee (or any combination of those) can be a Cypriot international business company or partnership.

No foreign law relating to inheritance or succession will invalidate the trust or affect any transfer or disposition relating to its creation. It may not be set aside by the settlor's creditors unless it is proved that the trust was set up with intent to defraud those creditors when the property was transferred. The settlor's insolvency after any transfer has no effect. A claim against the trustee(s) must be brought within two years from the date of sale or transfer of property to the trust.

There are no limitations on the investment of trust assets, if the investment powers are exercised with reasonable prudence and diligence and subject to any provisions in the trust instrument.

Reproduction of articles

The IBSA accepts that contributors may wish to submit articles commissioned for other commercial organisations. The IBSA is happy to re-purpose content in this way, provided that the appropriate permissions have been sought. Please check with the relevant publisher prior to submitting.

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