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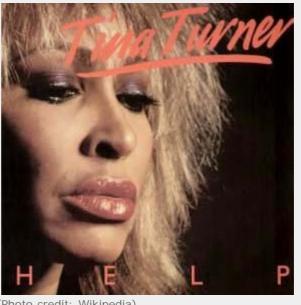


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Jan. 25 2013

Swiss Tina Turner Giving Up U.S. Passport

Proud Mary in a German accent? Probably not, but music legend Tina Turner is about to become Swiss, giving up her U.S. passport. It shouldn't be much of a surprise. She moved to Switzerland in 1995 when her longtime partner, German record executive Erwin Bach, was transferred. Still, if Gerard Depardieu and Nicolas Sarkozy are quintessentially French, Tina Turner is quintessentially American. <u>Tina Turner</u>



(Photo credit: Wikipedia)

<u>becoming Swiss citizen, giving up U.S. passport</u>. And changing citizenship is increasingly newsworthy.

Tina Turner was born Anna Mae Bullock. Now 73, she lives in the Zurich suburb of Kuesnacht. Reports say she needs approval from the canton of Zurich as well was Swiss federal authorities before she can receive her red passport. There's little to suggest taxes motivate the decision, and Swiss rates are high. Yet filing tax returns in multiple nations and claiming foreign tax credits is an imperfect process that often results in tax mismatches. Some countries might expect more of a land rush than Switzerland. Russia's Vladimir Putin recently embraced the previously French bestknown actor <u>Gérard Depardieu</u> with a bear hug and a 13% low flat rate, even better than Singapore's 18%, which Facebook's Eduardo Saverin now calls home. See <u>Why Denise Rich Followed Eduardo Saverin's Expat</u> <u>Lead</u>.

When France's 75% was too much for Depardieu, Russia's 13% seems svelte. Mr. Putin rolled out the red carpet when he granted Mr. Depardieu's citizenship request. See what a good deal it is to pay tax in Russia, Mr. Depardieu's visit seemed to proclaim? See <u>French Actor</u> <u>Depardieu Gets Russian Passport</u>.

France's meteoric tax rate was struck down, but the 75% rate will be back soon, with or without Mr. Sarkozy. Besides, France's old 45% rate already dwarfed Russia's 13%. LVMH's Bernard Arnault <u>applied for</u> <u>Belgian nationality</u>, and many others have also voted with their feet. See <u>If U.S. Had 75% Tax Rate, You'd Leave Too</u>. In Britain, the number of £1 million a year taxpayers fell by over 60%.

Given America's controversial worldwide income tax, some look for greener pastures. See <u>Expats Lobby For Tax on Residence, Not</u> <u>Worldwide Income</u>. Eduardo Saverin fled to tax-friendly Singapore on the heels of Facebook's IPO. See <u>Why Facebook's Co-Founder Just</u> <u>Defriended America</u>. Yet not every exit is simple or free of U.S. tax. There is already a U.S. exit tax on giving up citizenship, and it can apply to giving up a Green Card too. See <u>High Cost To Go Green: Giving Up A</u> <u>Green Card</u>. Mr. Saverin's exit triggered an even higher exit tax proposal.

Given America's complex system and exit tax, anyone testing the water needs thoughtful planning and advice, even if Russia is gearing up for a new kind of business. See <u>Brigitte Bardot threatens to spurn France</u>, <u>embrace Russia</u>. It is unlikely that Switzerland will throw open its doors or that Ms. Turner will come up in many tax conversations. Even so, we can probably expect more of these conversations soon.

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