



BROIDE & CO.  
Certified Public Accountants (Isr.)

## NEWS ON TAXATION OF TRUSTS

Dear Client,

The Tax Authority today published an "update" on trusts, indicating that the submission of tax reports, including notices and declarations, is postponed to May 31st, 2008. The update states that the proposed amendments relating to the taxation of trusts have passed the first reading in the Knesset and require the approval of the Finance Committee of the Knesset.

Under the proposed amendments, certain beneficiaries and settlers/grantors will not be required to submit tax reports but notice by special form will be required. It is also indicated that foreign trusts will not have to report unless the latter own assets or earn income in Israel.

Do note that this is an "update" and is certainly subject to the laws as amended. (to be!)

We refer you to our update in our December "Shekel" newsletter.

We will be glad to assist.

Warm Regards,

Jeff

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