

French presidential election triggers demand for estate planning and lifetime gifts

The French press¹ reports that since François Hollande has taken the lead in the race for presidency, French notaries are witnessing a surge in demand for estate planning and lifetime gifts in particular.

Indeed it seems not unlikely that he as the newly elected president would probably set less advantageous rules in terms of lifetime gifts between parents and children reducing the nil-rate band of Gift tax (from €159,325 to €100,000) and extending the period during which previous gifts have to be brought back into the calculation of tax (from 10 years to 15 years).

If you were thinking of rushing into this new trend which your Notaire may advise, please do bear in mind that the transfer may not be without adverse tax consequences in the UK in terms of IHT or CGT if you happen to be UK domiciled!

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¹ Le Figaro 24 April 2012