

November 25, 2021

## **Client Update: Ground Breaking International Tax Reform – Significant Influence on Individuals**

### **Client Updates**

Partners **Daniel Paserman** (CPA), Head of Tax and **Inbar Barak-Bilu** (CPA) review in this client update the new Israeli tax reform regarding international taxation aspects, expected to significantly impact individuals as well as companies, both Israeli and foreign resident, with economic operations in Israel or personal ties to Israel. The Reform may influence foreign-resident individuals considering moving to Israel, and individuals who are Israeli residents considering leaving Israel.

We are happy to present a client update, **with an emphasis on individuals**, addressing various changes in the tax practice, among which are determination of tax residency of individuals in Israel; abolishing the reporting exemption granted to new Israeli residents and veteran returning residents; new requirements and obligations regarding exit tax; new conditions with respect to controlled foreign companies (CFC); changes to the foreign tax credit mechanism; changes to the tax treatment of LLCs in Israel; additional reporting obligations, and more.

### **Key Contacts**



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