



Estate Planning for Foreigners in Singapore

General Principles

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Why Topic Is Important

- Singapore is **40% foreign**
- Many Singaporeans own **foreign assets**
 - They are wealthier
- Focus on **PRINCIPLES**
 - So you can speak to clients broadly
 - Google before you meet client

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Testamentary Freedom: Can You Will To Whoever You Wish?



Source: Wikipedia

Reserved
Free

The answer largely depends on:

1. Religion
2. Legal system
3. Country

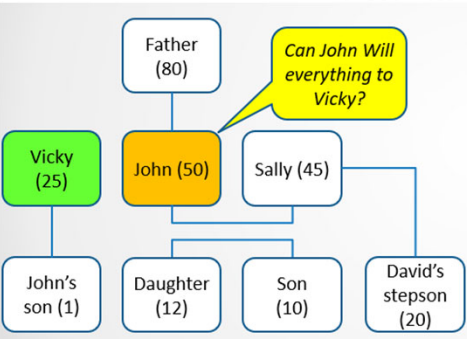
Forced heirship
v testamentary
freedom

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Testamentary Freedom for Singaporean non-Muslims



"YES"

Subject to (rarely invoked) **Inheritance (Family Provision) Act** where these persons can claim for **reasonable** provision:

1. Surviving Spouse
2. Physically/mentally disabled children
3. Infant sons (below the age of 21)
4. Unmarried daughters

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Relevant laws – (a) Intestate Succession Act (b) Wills Act (c) Inheritance (Family Provision) Act

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At a Glance				
	Singapore	Philippines		Thailand
A Population	6M	116M		70M
Fertility	1.2 (225)	2.8 (54)		1.54 (196)
Life expectancy	86 (2)	70		78
B Main religions	Buddht 31% Christn 19% Muslim 16%	Christn/ Catholic 92% Muslim 6%		Buddht 93% Muslim 5% Christn 1%
Legal system	Common	Mixed		Civil
C At Death:				
Community ppty	No	Yes		Yes
Forced heirship [^]	No	Yes		No
Estate duty	No	Yes		Yes

Source: CIA Factbook, law websites of various countries

[^] Legitime / non-Muslim only



Jhon & Delia are Filipinos and SPRs

Delia, how do you wish to deal with Reserved portion (Legitime)?

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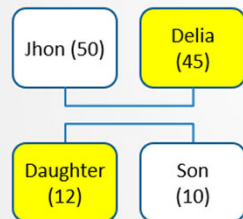
graph TD
    JD[ ] --- Jhon["Jhon (50)"]
    JD --- Delia["Delia (45)"]
    JD --- Daughter["Daughter (12)"]
    JD --- Son["Son (10)"]
            
```

- Delia has these Singapore assets:
 - \$4M condo
 - \$2M in bank accounts
- She writes Will to give condo and cash to Daughter.
- Jhon to do separate planning for Son.

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Delia writes a Standalone Singapore Will



To consider:

1. Revocation clause
2. Guardianship
3. Executor
4. Declaration of national law

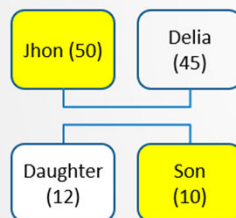
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Jhon wants to plan for their Son



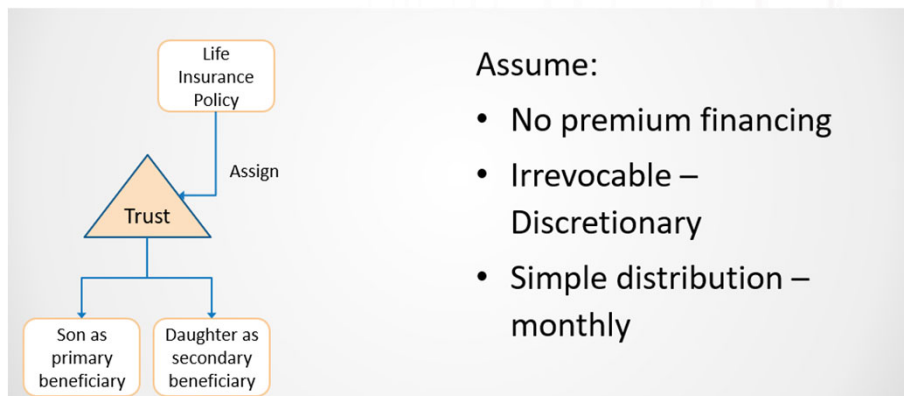
- Jhon paid \$1M for \$3M policy
- Wishes to have proceeds staggered over time

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Jhon Sets Up a Standalone Insurance Trust



Assume:

- No premium financing
- Irrevocable – Discretionary
- Simple distribution – monthly

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Summary

- Lots of foreigners in Singapore:
 - Adult PR + EP holders = 500,000
- They need **offshore planning**:
 - Standalone wills & trusts are suitable
 - Possible forced heirship obligations
 - Possible estate tax obligations

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