

# HEPSS



## RESIDING IN GIBRALTAR A GUIDE FOR RELOCATING EXECUTIVES 2020 - 2021

### HIGH EXECUTIVE POSSESSING SPECIALIST SKILLS

An increasing number of executives are taking advantage of the lifestyle and fiscal advantages attainable by moving to Gibraltar. Specifically, Gibraltar has a tax regime for relocating executives and senior management, this is the High Executives Possessing Specialist Skills (HEPSS) regime.

HEPSS is for individuals who earn more than £120,000 per annum in Gibraltar and possess the specialist skills necessary to promote and sustain the Gibraltar economy, or develop and achieve growth in a particular area that the Government is seeking to facilitate and encourage.

For individuals qualifying for the HEPSS regime, prescribed assessable income is capped at £120,000 with tax payable in accordance with the Gross Income Based tax system. This results in an effective tax rate of 24.95% or less, annual tax of £29,940 p.a. This tax is pro-rated in years of arrival and departure.

### MAIN REQUIREMENTS

Qualifying individuals are required to satisfy the following conditions:

- The applicant must have specialist skills that are necessary to promote and sustain economic activity of particular economic value to Gibraltar or the establishment, development or growth of which the Government is seeking to facilitate and encourage
- Those skills are not available in Gibraltar and are important for the economic development and growth of Gibraltar
- The applicant will occupy a high executive or senior management position
- The applicant will earn more than £120,000 per annum in Gibraltar
- The applicant must have exclusive use of approved HEPSS property. The property may either be bought or rented
- The applicant has not previously been resident or working in Gibraltar within the three years preceding the application

HEPSS status is awarded on the decision of the Finance Centre Director.

### OTHER KEY TAX BENEFITS

In addition to assessable income under the HEPSS regime being capped at £120,000, Gibraltar does not levy capital gains tax, inheritance tax, gift tax and there is no tax on certain savings income.

### HOW WE CAN HELP

We can assist with all matters relating to the obtaining of HEPSS Residency in Gibraltar. We can also combine local and international tax expertise to advise on individual circumstances.

The services we provide include:

- Preparation and submission of the HEPSS application
- Obtaining and renewing Gibraltar Civilian Registration Card, reinforcing residency status
- Preparation of Gibraltar income tax returns and other compliance matters
- Introductions to local estate agents, banks, and lawyers
- Assessing the benefit of any UK pension transfer, under the UK's Qualifying Recognised Overseas Pension Scheme (QROPS) regime
- Creation and management of trusts, companies, pension schemes (e.g. Qualifying Non-UK Pension Scheme - QNUPS) and life bonds (within the STM Group of Companies)



### STM Fiscalis Limited

PO Box 575  
Montagu Pavilion  
8 – 10 Queensway  
Gibraltar  
GX11 1AA

For further information contact:

Lynette Chaudhary  
**UK Chartered Tax Adviser**  
T: +(350) 200 42686  
E: tax@stmfiscalis.com  
www.stmgrouplc.com