GLOBAL OWNERSHIP PRINCIPLES FOR

UKBUSINESS OWNERS PAYING £250K+ IN TAX

DISCLAIMER

This document is for educational purposes only and does not constitute legal, tax, accounting, or financial advice.

Every situation is unique and requires professional review across all relevant jurisdictions.

If you would like actual advice tailored to your specific situation, you can book a complimentary review with our team.
Link at the end of this guide.

INTRODUCTION: WHY MOST UK ENTREPRENEURS ARE STRUCTURED WRONG

Most UK business owners paying £250K+ in annual tax believe they're properly structured.
They have a UK Limited company. Maybe a holding company. Perhaps a trust. They work with a good accountant and a reliable solicitor.

And yet, when we review their structures, we find the same problems again and again:

- Full exposure to lawsuits, divorce, and creditor claims
- No real separation between personal and business wealth
- Tax rates of 40-55% with no compliant path to reduce them
- No international architecture to protect against UK-specific risks
- Complete dependency on a single jurisdiction's rules

The reality is this: UK domestic structures were never designed to protect serious wealth. They were designed to operate within the UK system - a system that actively pulls global income and assets back into UK taxation.

This guide will show you:

1. The hidden problems with UK-only structures
2. Why your current advisors can't solve this
3. How global ownership actually works
4. What to do next

This is introductory information.
It's designed to help you understand whether your current structure has gaps and what those gaps might be costing you.

THE HIDDEN PROBLEMS: WHAT UK ENTREPRENEURS DON'T KNOW

Problem 1: Worldwide Taxation
The UK taxes residents on their worldwide income.

If you live in the UK - even if you have businesses, investments, or assets abroad - HMRC expects to tax all of it.

Your US rental property, your Dubai company, your Swiss investments - all taxable in the UK if you're a UK resident.

The cost:
You're paying UK rates (40-55%) on income that could legally be structured in more favorable jurisdictions.

THE HIDDEN PROBLEMS: WHAT UK ENTREPRENEURS DON'T KNOW

Problem 2: No Real Asset Protection
UK structures offer minimal protection from lawsuits, divorce, or creditor claims.

UK courts routinely "pierce the corporate veil" - meaning they look through your limited company and treat company assets as personal assets.

In divorce cases, this is standard practice. If you control a holding company, UK family courts will include those assets in the settlement - regardless of how the company is structured on paper.

The cost:
Everything you've built is exposed. A single lawsuit or divorce can reach all of it.

THE HIDDEN PROBLEMS: WHAT UK ENTREPRENEURS DON'T KNOW

Problem 3: Your "Offshore" Company Isn't Offshore
Even if you set up a company abroad, it can become UK-taxed.

If you live in the UK and direct a foreign company - even via email or Zoom - HMRC can classify that company as UK-resident.

This catches thousands of entrepreneurs who think they have "international structures" but actually have UK-taxed entities with foreign addresses.

The cost:
Your "offshore" company pays UK corporation tax at 25%, plus you pay UK income tax on anythingyou extract. The structure provides no benefit - only complexity.

THE HIDDEN PROBLEMS: WHAT UK ENTREPRENEURS DON'T KNOW

Problem 4: You Can't Just Leave
Leaving the UK doesn't mean leaving UK tax.

If you exit the UK and return within 5 years, HMRC can "claw back" capital gains you made while abroad.

Many entrepreneurs believe they can "escape" by relocating. Without proper pre-exit structuring, they're wrong.

The cost:
Retroactive tax bills when you return, plus ongoing exposure on your worldwide estate.

THE HIDDEN PROBLEMS: WHAT UK ENTREPRENEURS DON'T KNOW

Problem 5: 40% Inheritance Tax on Everything
UK inheritance tax applies to your worldwide estate at 40%.

The threshold is just £325,000. Everything above that is taxed at 40% - including assets held abroad.

Recent changes now include pension death benefi ts in your IHT calculation from April 2027. A £10 million pension pot that was supposed to be outside your estate now triggers a £4 million tax bill when you die.

The cost:
Your children could face a 40% bill on everything you've built - even assets held in other countries.

WHY UK ADVISORS CAN'T SOLVE THIS

Your UK accountant knows UK tax law. Your UK solicitor knows UK company law.
But neither knows how to build, validate, or maintain a compliant international structure.
This isn't a criticism - it's a structural reality. UK professionals are trained in UK rules. They're regulated by UKbodies. Their insurance covers UK advice.
When you ask them about international structuring, they're operating outside their expertise.

The typical failure pattern:

1. UK business owner wants to "go international"
2. UK accountant recommends offshore company (often in wrong jurisdiction)
3. Company has no real substance or independence
4. HMRC investigates, fi nds no real separation
5. Structure is collapsed, back taxes assessed, penalties applied

The problem isn't the concept - it's the execution. International structures work when built properly. They fail when built by people who don't understand the requirements.

GLOBAL OWNERSHIP PRINCIPLES: HOW IT ACTUALLY WORKS

Principle 1: True Separation
For an international structure to work, there must be genuine separation between you and your assets.

If you can pick up the phone and direct what happens with "your" assets, there's no separation. HMRC will treatyou as the owner - because functionally, you are.

True separation means genuinely giving up day-to-day control. It's uncomfortable, but it's the only way structures hold up under scrutiny.

GLOBAL OWNERSHIP PRINCIPLES: HOW IT ACTUALLY WORKS

Principle 2: Independent Governance
Foreign entities must have real governance - not rubber-stamp boards that do whatever you say.

This means real directors in the jurisdiction, actual board meetings, and independent decision-making.

When HMRC investigates, they look at how decisions are actually made.

GLOBAL OWNERSHIP PRINCIPLES: HOW IT ACTUALLY WORKS

Principle 3: Economic Substance
Structures must have economic purpose beyond tax - or they're vulnerable to attack.

"Substance" means real employees, real offi ces, real activities. A company that exists only on paper and does nothing will not survive challenge.

GLOBAL OWNERSHIP PRINCIPLES: HOW IT ACTUALLY WORKS

Principle 4: Multi-Jurisdictional Architecture
Effective global structures aren't single entities - they're systems.

A typical architecture might combine:

- An ownership vehicle for asset protection and succession
- A holding layer for management and tax effi ciency
- An operating layer for business functionality

No single jurisdiction offers all benefits. The power comes from combining jurisdictions strategically - each contributing its strengths.

REAL - WORLD EXAMPLES

Example 1: IKEA
The IKEA retail empire is owned by a foundation structure that has operated since 1982.

This structure separates ownership from operational control, provides asset protection, and enables efficient profit management. It has with stood decades of scrutiny from multiple tax authorities.

Why does it work? Because it has genuine separation, independent governance, and real economic substance. The foundation doesn't exist only for tax - it serves ownership, protection, and succession purposes.

REAL - WORLD EXAMPLES

Example 2: Eduardo Saverin
The Facebook co-founder relocated to Singapore before the company's IPO.

Singapore levies no capital gains tax. By properly exiting and genuinely relocating (not just on paper), he achieved significant tax efficiency on his shares.

The lesson for UK entrepreneurs: simply relocating isn't enough - you need proper exit planning. But with correct structuring before exit, similar results are achievable.

HOW WE WORK

We build systems, not isolated entities.
Local professionals create single entities inside one country. We engineer multi-jurisdictional ecosystems thatwork as integrated systems - every component serving your goals.

We coordinate across jurisdictions.
You receive an integrated network of licensed professionals, cross-border specialists, and banking partnersworking together.

We ensure real substance.
We don't create letterbox companies. We build structures with independent governance, true separation, and defensible architecture.

We design for generations.
Your structure must with stand international expansion, changes in residency, generational transitions, and regulatory changes. We build systems that scale and adapt.

WHAT THIS MEANS FOR YOU: ACTION CHECKLIST

Immediate Assessment:

- ☐ **Calculate your total annual tax burden** - Are you paying £250K+ annually?
- ☐ **Assess your asset protection** - Could a lawsuit or divorce reach your wealth?
- ☐ **Evaluate your advisors** - Do they have genuine cross-border expertise?
- ☐ **Identify your timeline** - Planning a business sale or large payout in 1-5 years?
- ☐ **Review your estate planning** - What's your IHT exposure at 40%?

Key Questions:

- ☐ Are you paying 40-55% combined tax with no clear path to reduce it legally?
- ☐ Is your wealth fully exposed to UK lawsuits, divorce, and creditor claims?
- ☐ Do you have any international architecture - or is everything UK-based?
- ☐ Are you relying on UK-only advisors for what is fundamentally a cross-border problem?

If you answered "yes" to two or more of these questions, you likely have structural gaps that are costing you significant money and leaving your wealth exposed.

NEXT STEPS

Step 1: Watch Video 2
Tomorrow, I'm releasing a detailed video showing exactly how three UK business owners at your wealth level handled these problems:

- **James** - Paying £1M+ in annual tax, protected a £35M estate
- **Joseph** - Age 55, felt trapped, relocated and dropped from 70% to 21%
- **Richard** - £4-8M business exit, pre-exit planning saved £800K+

Watch Video 2 to see these principles in action.
[Link will be in your email when it's live]

NEXT STEPS

Step 2: Book a Complimentary Review
If you're paying £250K+ in annual tax and want to understand your specific exposure, we offer a complimentary private review with our team.

This is not a sales call. It's a genuine assessment of:

- Your current structure's strengths and gaps
- Potential exposure from recent UK Budget changes
- Whether international structuring makes sense for your situation

We only work with clients who are a genuine fit. If we're not the right solution, we'll tell you.

[BOOK YOUR COMPLIMENTARY REVIEW]

ABOUT GLOBAL SOVEREIGN

We help UK business owners paying £250K+ in annual tax reduce their burden and protect their wealth using compliant international structures - without needing to leave the UK (unless they want to).

We don't create ways to "avoid" tax. We structure wealth properly so income is taxed in the correct jurisdiction - with full compliance, proper substance, and defensible architecture.

FINAL NOTE

This guide is introductory information designed to help you understand whether gaps exist in your current structure.

It is not legal, tax, or financial advice. Every situation is unique and requires professional review.

If you would like actual advice tailored to your specific situation, book a complimentary review with ourteam using the link above.

The cost of poor structuring or no structuring at all - compounds every year. The earlier you address structural gaps, the more options you have.