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# Rencontre avec Xavier de Sarrau,

## associé du cabinet Gordon S. Blair- Law Offices



*Créé il y a 80 ans environ par le britannique Gordon S. Blair, le cabinet éponyme est aujourd'hui leader dans le conseil auprès des groupes privés et familiaux, monégasques et internationaux, sur tous les aspects patrimoniaux, juridiques et fiscaux. Rencontre avec son associé, Xavier de Sarrau.*

Indépendant pendant un demi-siècle, le cabinet Gordon S. Blair a été racheté dans les années 90 par Ernst & Young puis, en 2005 est repris par Xavier de Sarrau, ex- Managing Partner d'Arthur Andersen pour la région EMEIA (Europe, Moyen Orient et Afrique). Cet HEC et Docteur en Droit Fiscal exerce alors son activité au sein du cabinet Sarrau & Associés à Genève en conseillant notamment les groupes familiaux sur l'organisation juridique et fiscale de la détention de leurs actifs.

Aujourd'hui, avec 20 collaborateurs expérimentés et sous la Direction Générale de Gilbert Delacour, Xavier

de Sarrau a mis en place une démarche efficace et éprouvée. Celle-ci est fondée sur une approche très méthodique de la problématique des groupes privés et familiaux, fruit d'un vrai savoir-faire et d'une longue expérience acquise auprès de grandes fortunes internationales. A une phase d'analyse et de conseil au plus haut niveau, succèdent les phases d'exécution et de mise en place, de façon à obtenir un cadre adapté et performant à chaque profil de client. Enfin, le cabinet peut aussi offrir un suivi régulier sous la forme d'une assistance pratique à la gestion des structures patrimoniales créées.

**"Monaco doit conserver sa souveraineté"** Avec une expérience aiguisée à l'international - de Rhône Poulenc à Arthur Andersen en qualité de « Managing Partner » pour la zone Europe, Moyen-Orient, Inde et Afrique (35 000 personnes) - Xavier de Sarrau affiche un regard bienveillant mais nuancé vis-à-vis de la Principauté de Monaco. « Ce pays souverain possède de sérieux atouts, même si, dans certains domaines des améliorations sont possibles » remarque-t-il.

S'il reconnaît la compétence et le volontarisme des autorités de la Principauté « et la présence de vrais experts au sein de l'administration monégasque », il regrette un peu une attitude un peu frileuse de la part de certains professionnels locaux, ainsi qu'une réelle difficulté à motiver des conseils de haut niveau à venir s'installer en Principauté. « Monaco doit conserver sa souveraineté - souligne-t-il - regrettant par exemple le transfert croissant des litiges dans le domaine du droit du travail vers les tribunaux français ». Membre du Groupe Stratégique pour l'Attractivité, il se félicite d'être associé

dans la réflexion sur l'avenir de la Principauté.

Xavier de Sarrau reste pourtant convaincu que la Principauté de Monaco dispose de nombreux atouts pour séduire et attirer des fortunes occidentales même si celles-ci n'ont rien à voir avec les fortunes asiatiques, bien plus colossales : « la stabilité juridique très importante permet de protéger les actifs. Cette force, caractéristique de la vieille Europe, reste un atout maître comparé aux autres régions du monde. Cependant, Monaco doit renforcer son attractivité et offrir en termes de loisirs, de centres d'intérêts pour conserver sur un moyen et long terme ces publics privilégiés ».

C'est dans ce sens que le cabinet Gordon S. Blair offre un haut niveau de qualité aux missions suivantes :

- Organisation juridique et fiscale du patrimoine, à l'occasion de projets d'investissement « alternatifs » (private equity, fonds fermés, immobilier), ou en anticipation de successions : holdings de famille, trusts, fondations,
- Optimisation de la fiscalité du revenu ou de la fortune, notamment dans sa dimension internationale : application des conventions bilatérales de non-double imposition, package de rémunération de dirigeants, assistance à contrôles fiscaux,
- Gouvernance des groupes familiaux et des groupes privés, gestion et résolution des conflits : pactes et protocoles de familles, médiation.

Fortement impliqué dans la mise en œuvre et le suivi actif des solutions préconisées et retenues par ses clients, Xavier de Sarrau est par ailleurs administrateur indépendant de groupes privés ainsi que de fondations familiales.

François Coizy



## Interview with Xavier de Sarrau, Managing Partner at Gordon S. Blair Law Offices

*Created 80 years ago by British lawyer Gordon S. Blair, the firm that bears his name is now a leading provider of legal advice, tax planning and wealth protection services to private clients and family offices from Monaco, France and around the world. Interview with Managing Partner, Xavier de Sarrau.*

After half a century as an independent firm, Gordon S. Blair Law Offices was acquired by Ernst & Young in the 1990s, and then taken over by Xavier de Sarrau in 2005. The former Managing Partner at Arthur Andersen for the EMEA region (Europe, Middle East, India and Africa) is a graduate of the Paris business school HEC and holds a doctorate in tax law. At the time, he was practising with his own firm, Sarrau & Partners in Geneva, specialising in legal advice, tax planning and wealth management for family offices.

**"Monaco needs to retain its sovereignty"** Xavier de Sarrau has put in place a proven and effective method of working, with a team of twenty experienced colleagues headed by CEO Gilbert Delacour. The firm adopts a methodical approach to managing corporate and family offices, built on in-depth knowledge and years of experience dealing with high net worth private and corporate clients. After an initial phase of analysis and expert advice, the firm will implement the agreed measures to create an efficient structure that is tailored and attuned to the needs of the client. The firm also offers ongoing wealth management support services for the structures put in place.

Xavier de Sarrau has acquired a wealth of experience in the course of a varied international career that took him from Rhone Poulenc to Arthur Andersen, where he was Managing Partner for the Europe, Middle East, India and Africa region (35,000 people), and his views on the Principality of Monaco are positive, if not without reservations. "It is a country offering clear advantages, but there is room for improvement in certain areas," he notes.

Whilst acknowledging the ability and determination of the Monaco authorities "and the presence of genuine expertise in the administration," he is slightly critical of the rather cautious attitude of some local business-people, and feels that it is difficult to persuade top consultants to settle in the Principality. "Monaco needs to retain its sovereignty," he says, giving the example of the unfortunate but increasing tendency for employment law cases to be taken to the French courts. "As a member of Monaco's 'Strategic Group for Attractiveness', he is delighted to be involved in the process of planning for the future of the Principality.

Xavier de Sarrau has no doubt that the Principality of Monaco has much to offer and can attract western wealth, even if it can't match the considerably bigger fortunes from Asia. "Monaco's stable legal system is well suited to asset protection. This strength, characteristic of 'old Europe', remains a key asset compared to other parts of the world. Monaco needs to enhance its appeal, though, and offer more in terms of recreation and leisure activities, if it hopes to entice these high net worth individuals and families to stay.

In this context, Gordon S. Blair Law Offices offer a high quality service in the following areas:

- Legal structures and tax planning for personal wealth, for "alternative" investment projects (private equity, closed-end funds and real estate), or planning for wills and succession: Estate planning, trusts and foundations.
- Strategic tax planning and wealth protection, particularly where cross-border issues are involved: double taxation treaties, executive payment packages and assistance with tax audits.
- Corporate and family governance, conflict management and resolution: family protocols and mediation.

Whilst remaining closely involved in the implementation and monitoring of the solutions recommended by the firm and adopted by its customers, Xavier de Sarrau is also an independent Trusts and Estates practitioner.

## Gordon S Blair Law Offices

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Gordon S. Blair Law Offices is one of Monaco's oldest professional services firms having been based in Monaco for over 80 years. The firm has considerable experience of advising on, and implementing, bespoke structures to meet the needs of their clients.

The team has a unique blend of multi-jurisdictional and multi-lingual expertise and is able to provide advice on common law and civil law related matters bringing together a strong combination of skills, resources, creativity and experience.

The team work closely with professionals from around the world to deliver the most efficient and practical solutions to their clients. Gordon S. Blair Law Offices is a member of the De Sarrau Alliance with offices in Geneva, London and Paris. The firm also has a strategic agreement with the Basel Group, one of the best trust administration companies based in Jersey. This allows Gordon S. Blair Law Offices to provide a wide range of services to their clients wherever they may be.

The firm's private client practice provides tailored cross-jurisdictional advice relating to income and wealth tax optimisation, the buying, holding and selling of Monegasque and French real estate, tax planning, the creation, management and administration of offshore structures, expatriate and immigration advice, wills and succession planning, asset transfer, asset protection, cross-jurisdictional inheritance tax planning, gift tax and the purchase or sale of trophy assets such as yachts, private jets and works of art.

The firm's corporate client practice provides practical solutions to client needs including advice relating to commercial contracts and partnerships, cross-border transaction and M&A (including due diligence), Human Resources (including employment, labour law remuneration and payroll taxes), bank and fiduciary legal services and private equity & venture capital transactions.

The firm is committed to provide clients with the highest quality service by combining modern and innovative style with the traditions and values that have been mastered by the firm over the years.

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# GORDON S. BLAIR

## Conseil Juridique et Fiscal / Legal & Tax Advisors

Depuis plus de 80 ans, le cabinet Gordon S. Blair conseille, accompagne et apporte des solutions à une clientèle internationale en relation avec Monaco.

Notre équipe de juristes et de fiscalistes chevronnés constitue une combinaison unique de talents, de ressources, de créativité et d'expériences.

Nous travaillons en liaison avec des professionnels du monde entier afin de délivrer les solutions les plus efficaces à nos clients. Gordon S. Blair est membre du groupe Sarrau, présent à Genève, Londres et Paris.

Nous avons développé un partenariat avec le groupe Basel, à Jersey, l'un des plus prestigieux acteurs en administration de Trusts et structures étrangères. Ceci permet à Gordon S. Blair d'offrir à ses clients un large éventail de services, à Monaco, en Europe et dans le Monde.

### Familles et Personnes Privées

Nous offrons des solutions sur mesure dans les domaines suivants :

- Optimisation fiscale à l'international
- Planification Immobilière : achat, gestion et vente
- Family Office : Organisation, mise en place, administration
- Planification Successorale : rédaction de testaments, donations, outils de transmission, trusts...
- Immigration et Expatriation
- Acquisition et vente de biens d'exception : yachts, avions privés, objets d'art...

### Entreprises

Nous apportons aux entreprises des réponses pratiques dans les domaines suivants :

- Contrats commerciaux et partenariats
- Transactions internationales, fusions et acquisitions
- Ressources humaines : rémunérations, droit social, droit du travail
- Conformité, déontologie et réglementation.

Notre cabinet a une expertise particulièrement développée dans le secteur des banques et établissements financiers.

Nous nous engageons à apporter un service de très haute qualité en conjuguant efficacité, innovation et fidélité aux valeurs qui ont forgé notre réputation.



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### Private client & Families

The firm's private client practice provides tailored cross-jurisdictional advice relating to income and wealth tax optimisation, the buying, holding and selling of Monegasque and French real estate, tax planning, the creation, management and administration of offshore structures, expatriate and immigration advice, wills and succession planning, asset transfer, asset protection, cross-jurisdictional inheritance tax planning, gift tax and the purchase or sale of trophy assets such as yachts, private jets and works of art.

### Corporate Services

The firm's corporate client practice provides practical solutions to client needs including advice relating to commercial contracts and partnerships, cross-border transaction and M&A (including due diligence), Human Resources (including employment, labour law remuneration and payroll taxes), compliance and regulatory services and private equity & venture capital transactions.

The firm developed a strong expertise in banking and financial sector.

The firm is committed to provide clients with the highest quality service by combining modern and innovative style with the traditions and values that have been mastered by the firm over the years.

**GORDON S. BLAIR**  
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## **Financial Time May 20 2011**

# **Overseas property owners targeted in wealth tax reform**

By Tanya Powley

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The French government has made moves to close down a loophole that enables wealthy purchasers of second homes in France to avoid the country's annual wealth tax.

Last week, the government proposed a series of tax changes as part of its 2011 finance bill, which is expected to be debated this summer before potentially coming into effect from January 1 2012.

The bill includes proposals to reform the French wealth tax, which is a tax on the net wealth of households, minus any debts used to acquire an asset.

Under the proposals, fewer people will have to pay the wealth tax as the government plans to increase the threshold at which the tax becomes payable from a net value of €800,000 to €1.3m.

It is also proposing a less onerous tax rate and fewer tax bands. Net wealth will be taxed at 0.25 per cent on assets of between €1.3m and €3m, and 0.5 per cent if a household's wealth exceeds €3m. Currently, the maximum annual rate payable is 1.80 per cent for those with net wealth over €16.5m.

However, although the reform to wealth tax has been welcomed, tax experts have warned that a number of the other proposals included in the finance bill will detrimentally affect non-residents who own a French holiday home.

At the lower end of the market, non-resident holiday homeowners who do not let their property out face an extra annual tax bill – the equivalent of a second council tax – which could add between a couple of hundred and several thousand euros to their annual costs (see Page 3).

The finance bill also threatens higher taxes for non-resident owners of very expensive properties in France who have previously avoided paying wealth tax by buying the property through an SCI – a company structure to which the shareholder advances a loan, in order to reduce its taxable value.

David Anderson of Sykes Anderson, a solicitor that specialises in French tax law, says the government has proposed to close a loophole that meant property bought via an SCI was exempt from wealth tax. He says the loophole has been used widely on properties bought by foreigners for prices over €10m.



**2011**

## **Wealth Management: Monaco**

### **1- Gordon S Blair**

This long-established Monaco firm represents a range of wealthy local and international clients. Its in-depth knowledge of international tax laws enables it to provide strategic advice on tax mitigation and succession planning. According to sources, *"the team has great client-facing skills and handles its work extremely efficiently."* Firm managing partner [Xavier de Sarrau](#) acts for ultra high net worth clients on the establishment and management of sophisticated family structures. Sources say: *"His is a name to conjure with in the offshore world, and he has a client base to die for."* [Florence Pécherat](#) is a leading expert in trusts and international succession planning. [Edward Jennings](#) is qualified in the UK and advises non-domiciled British citizens on their tax affairs. According to sources, *"he is well connected and always up to speed on relevant developments in the law."*

One route to avoid wealth tax that remains open is to take out a mortgage with a bank, reducing the taxable equity in the property. According to International Private Finance, the mortgage broker, homeowners can get variable rate mortgages from 2.5 per cent in France. "This loan route has always been available but is irksome for the very wealthy who don't need a mortgage and are forced to pay bank fees plus interest," says Anderson.

Veronique Moujon, head of estate planning at Gordon Blair, a law firm based in Monaco, says home-owners should wait until the draft proposals become law. "Once the detailed provisions of the new law are known, clients should seek advice based on their specific situation," she says.

She points out that there are still many legal and tax reasons why an SCI is an appropriate vehicle in which to hold French property, such as avoiding the forced heirship rules that govern the distribution of estates in France.

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