

# Wealth Tax

“How does it work, mate?”

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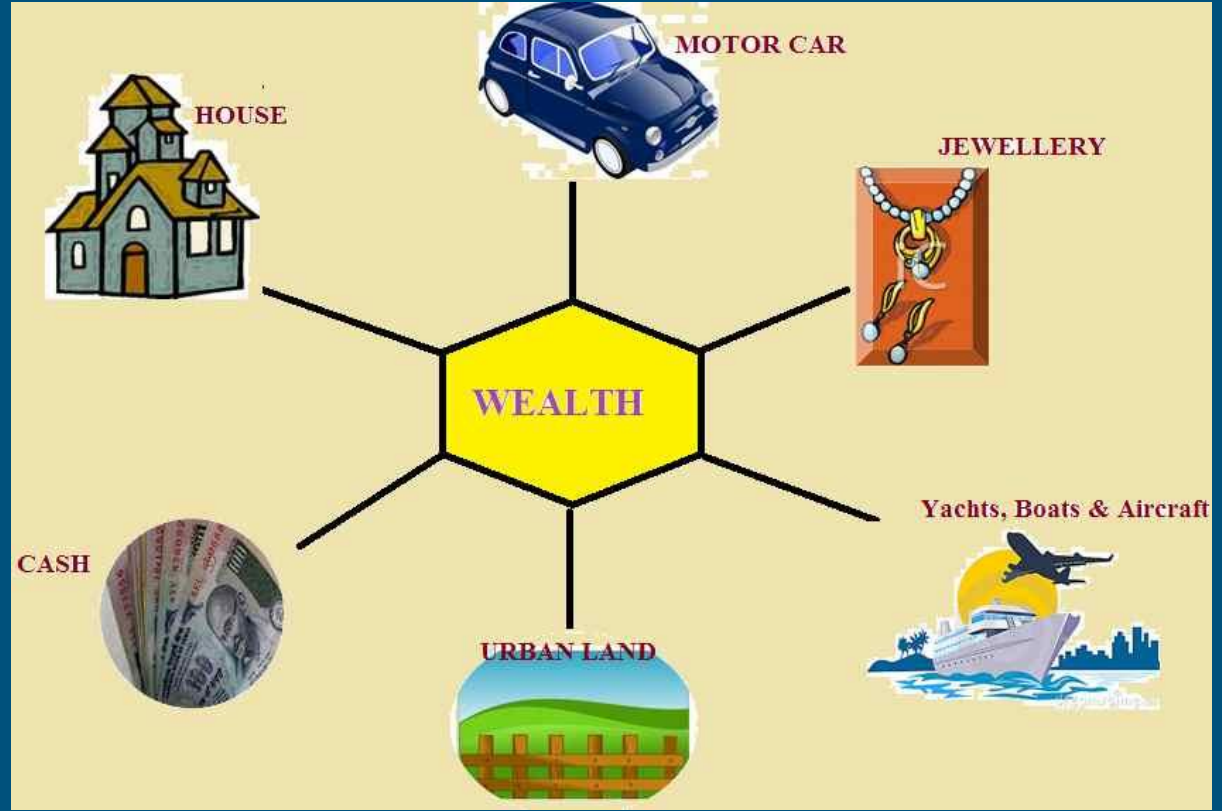
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# Agenda

- Wealth Tax
  - United States of America
  - Mexico
  - Morocco
  - Essca Land



# What is Wealth Tax?

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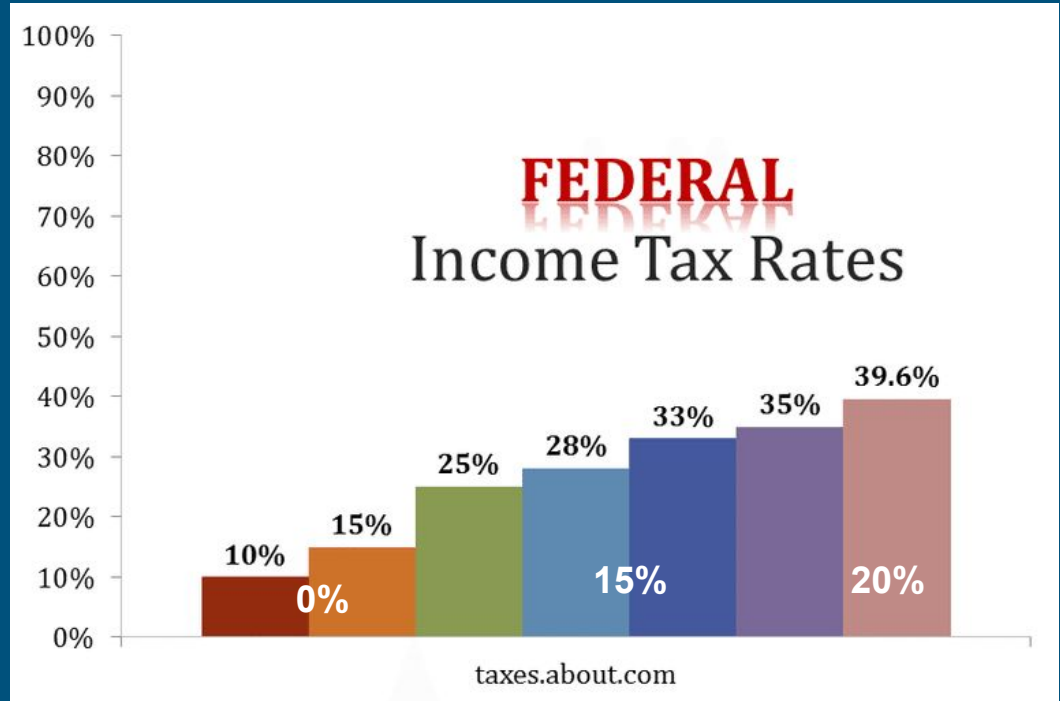
- Levy on one's net worth
- Also known as:
  - Capital Tax
  - Equity Tax
  - Net Worth Tax
- Tax on personal assets
- Varies based on countries



# United States of America



- Tax on capital gains
  - Stocks
  - Bonds
  - Precious metals
  - Property & Estate
- Must be “long-term”
  - “Short-term” - based on typical income
  - 10-39.6%
- Varies based on income
- Tax Drifting



# United States of America

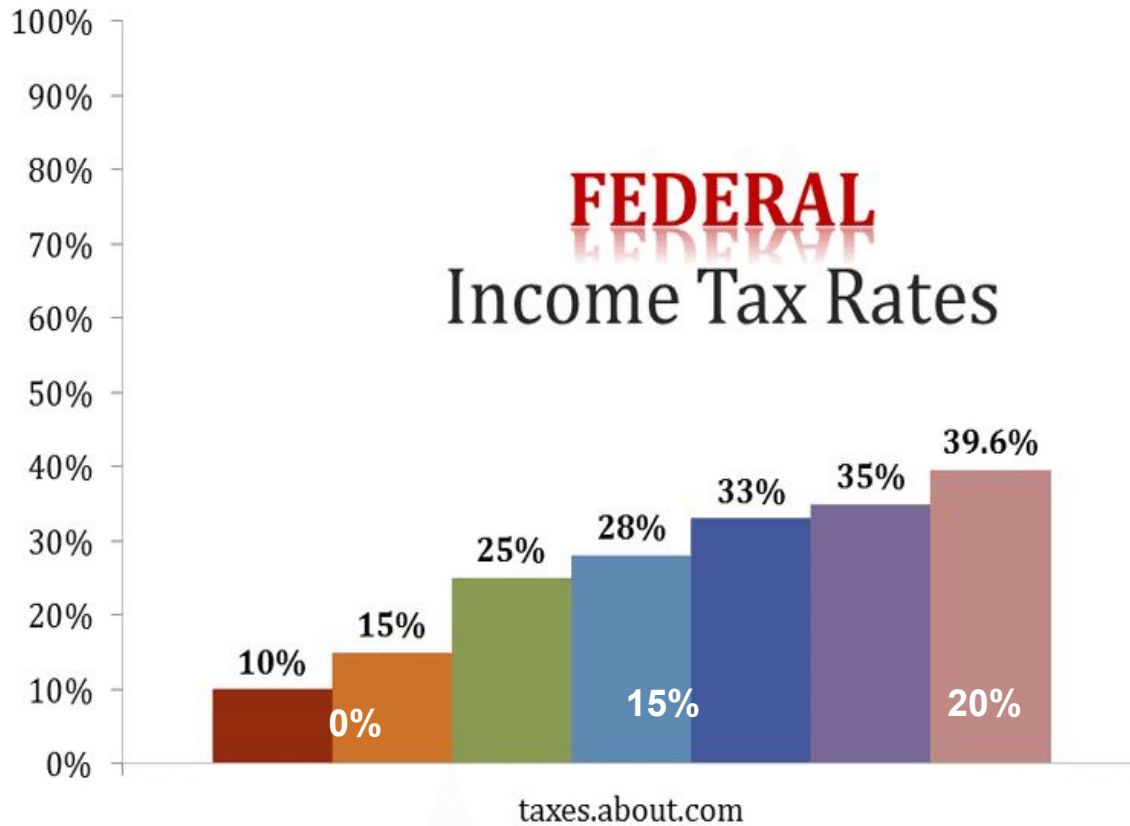
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- Borrow against assets
- Drives down net worth
- Reduces net wealth tax
- Lower tax brackets



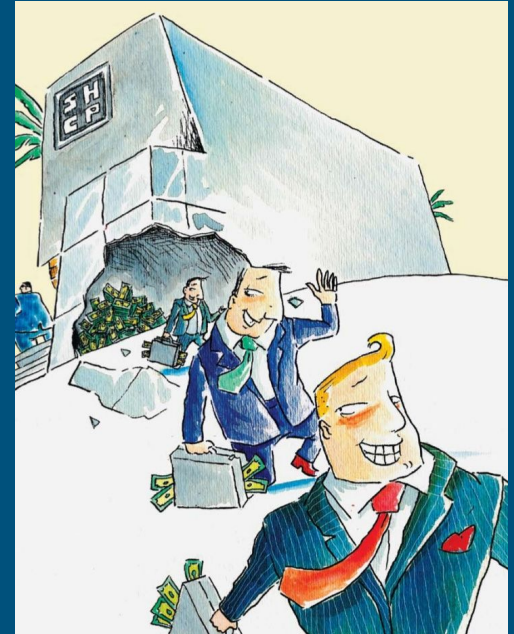
# FEDERAL Income Tax Rates



# Mexico

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- ISR:
  - Only on real estate
  - Obligatory, can be discarded
  - Tenure : depends



# Mexico

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- Predial:
  - Every owner of a property has to pay a percentage according to the value of the property.
  - Every state has different percentage.
  - Retired people, pensioned or over 60 years old do not pay it.
  - It is paid only once a year.
  - If you pay during the first two months of the year you get a discount.



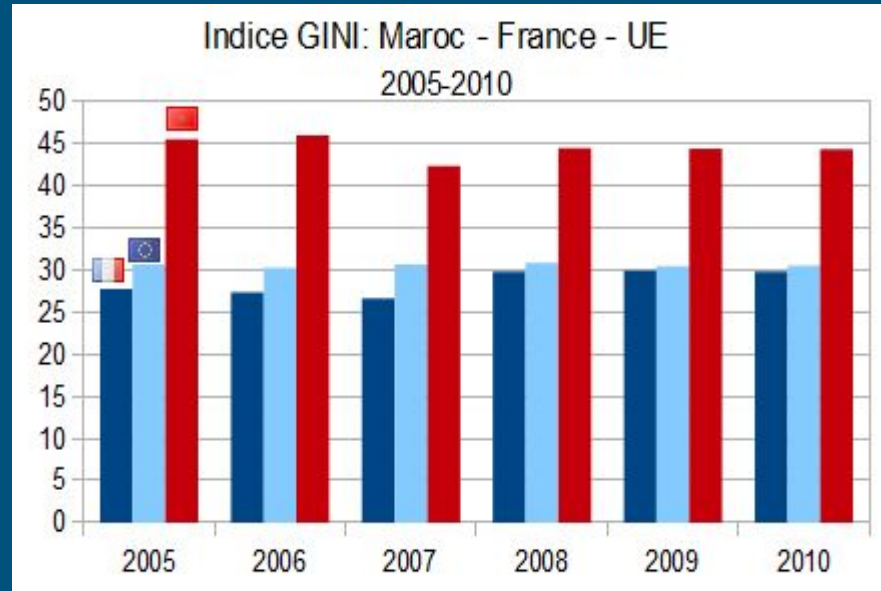


# Morocco

No wealth tax:

A reduction of 80% of taxes for retired foreigners residents in the country

- Advantages
- Disadvantages



# Morocco

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- PSU 2012 amendment proposition
- 10 to 30 millions of DH pays 1%
- 30.1 to 50 millions of DH pays 1.5%.
- More than 50 millions of DH should be taxed by 2.5%.

## SMIG



2300 DHS/MOIS

Doit travailler

**20 ans**

Pour toucher le salaire  
mensuel du PDG

## SALAIRE EMPLOYÉ



3500 DHS/MOIS

Doit travailler

**14 ans**

Pour toucher le salaire  
mensuel du PDG

## SALAIRE PDG



552000 DHS/MOIS

Doit travailler

**52 minutes**

Pour toucher le SMIG

# Morocco

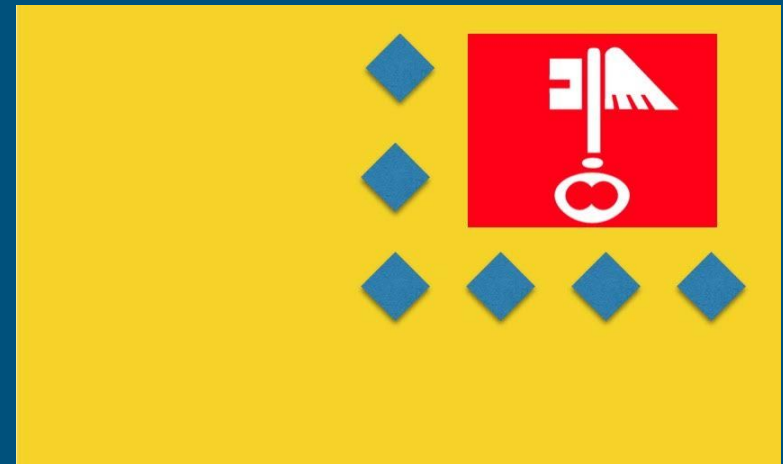
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- Property Tax
  - 10% of the assessed rental value
  - Primary residence, only 25% of the assessed rental property value is subject to tax. Properties occupied as a main or second residence are taxed at progressive rates.
- Industries
  - Craft and agriculture receive tax deduction

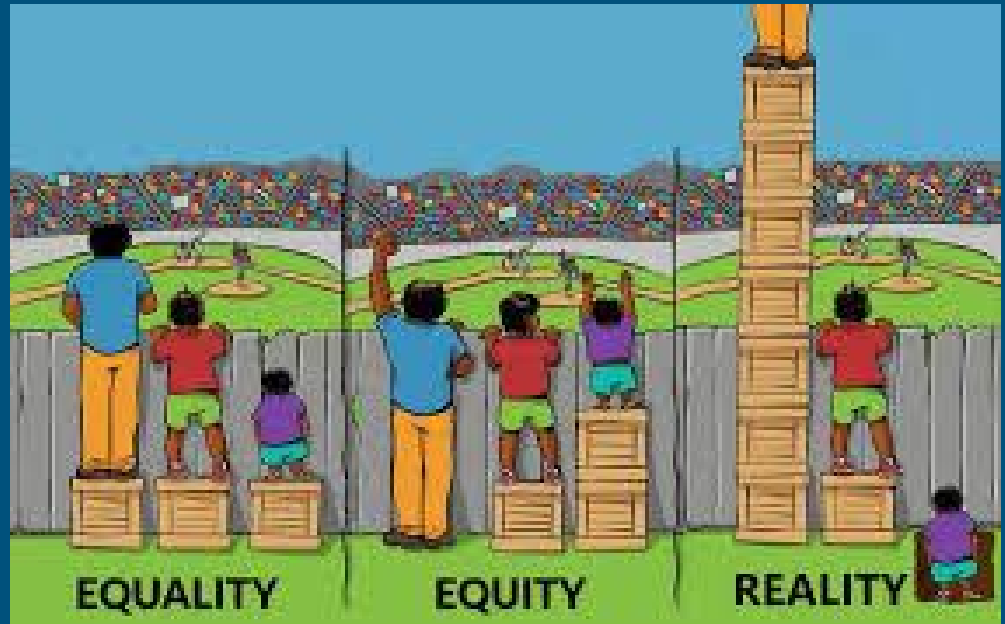
# ESSCA Land - “A Great Place to Live.”

- Wealth
  - Property, stocks, bonds, vehicles
- Tax exemption on agricultural estates
- Tax on capital gains for wealthy
  - 15% tax on 20-30% income tax bracket
  - 20% tax on 30% and up income tax bracket
- Debt against assets does not drive net worth down.
- Prison for tax evasion
- Annual 5% wealth tax
  - Public services and health



# Conclusion

- Wealth tax varies based on countries
- Mexico is based on property, car, tenue
- United States of America is based on personal assets
  - Property, estate, stocks, bonds, precious metals
- Morocco is based on property, land, cars, stocks
- ESSCA Land . . . simply the best



# Work Cited

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