Comparison with Geneva, Hong Kong and Jersey

Dr Alexander Ressos, TEP
Of Counsel, KGP Legal LLC
Attorney-at-Law (Switzerland and Germany), Solicitor (England & Wales and Hong Kong)

Geneva: trusts without a trust law

Geneva and Singapore both administer trusts for international families, although their legal positions differ fundamentally. Switzerland has applied the Hague Trusts Convention since 1 July 2007 and recognises foreign trusts under it, yet it has no trust of its own. Professional trustees in Switzerland require authorisation from FINMA under the Financial Institutions Act. Only eleven had been authorised by 2022 according to a figure cited in the Geneva volume, which also describes the Swiss tax treatment of trusts as resting on an administrative circular of 2007.[1]

Singapore therefore offers what Geneva lacks: a domestic trust law, a single regulator for trustees and banks and a trust that can be governed, administered and litigated in the same jurisdiction. Geneva offers what Singapore lacks: membership of the Hague Convention, proximity to a European clientele and a long tradition of foundations and holding companies. For Swiss families with Asian interests, the two centres are complementary. A Singapore-law trust with a Singapore trustee is recognised in Switzerland under the Convention, even though Singapore is not itself a party to it.

The holding company shows a similar division of strengths. Geneva taxes companies at an effective rate of about 14 per cent, below Singapore's headline rate of 17 per cent. Switzerland, however, levies a withholding tax of 35 per cent on dividends that foreign shareholders can recover only under a treaty.[2] Singapore levies none. For a holding company that distributes its profits to foreign shareholders, the absence of a withholding tax often outweighs the difference in headline rates.

Hong Kong: the nearest competitor

Hong Kong reformed its trust law more recently than Singapore and went further on duration. Hong Kong trusts may exist indefinitely, whereas Singapore keeps its 100-year limit. Both jurisdictions limit reserved powers to investment and asset management and neither permits non-charitable purpose trusts. Hong Kong has given effect to the Hague Convention through its Recognition of Trusts Ordinance, while it has no specific framework for PTCs.[3] Singapore's supervision of PTCs through licensed trust companies is the more structured solution, which international banks tend to appreciate when they onboard a family structure.

On funds, Hong Kong introduced its own corporate fund vehicle, the open-ended fund company, and later a limited partnership fund regime. Comparisons with the VCC are difficult, because the two regimes count funds and sub-funds differently and serve partly different investor bases.[4]

Copyright © 2026 Dr Alexander Ressos, TEP – Of Counsel, KGP Legal LLC. SingaporeIQ is an information website and gives no legal advice. For Singapore law advice through KGP Legal LLC, please write to alexander.ressos@kgplegal.com.sg

Jersey: the offshore benchmark

Jersey remains the benchmark for trust legislation. Its trusts may exist indefinitely, its law permits non-charitable purpose trusts with an enforcer and a broad list of reserved powers, and its firewall extends to the non-recognition of foreign judgments. Jersey has also enshrined the Hastings-Bass principle on mistakes by trustees in statute.[5] Singapore cannot match this flexibility without reforming its statute. It competes instead with what Jersey cannot offer: proximity to Asian clients, a deep banking market and a regulator that supervises the whole value chain. The structures examined in this chapter therefore often combine the two, with a Jersey purpose trust at the top and Singapore trustees, managers and companies beneath it.

In figures

Licensed trust company licences in the MAS register in November 2026: 67. Minimum capital of a licensed trust company: S$250,000. Resident managers required: at least two. Perpetuity period for Singapore trusts: 100 years. Variable Capital Companies at the end of 2025: 1,406, with 3,443 sub-funds. Assets under management in Singapore at the end of 2025: S$6.7 trillion, 76 per cent sourced from abroad. Licensed fund management companies: 1,320. Single family offices receiving tax incentives at the end of 2025: more than 2,000.[6] Corporate income tax rate: 17 per cent. Withholding tax on dividends: none. Jurisdictions covered by tax agreements: around 100. Estate duty: abolished for deaths on and after 15 February 2008.

Notes

1. Hague Conference on Private International Law, status table of the Trusts Convention, cited above: entry into force for Switzerland on 1 July 2007. Ressos, *Genève, place financière internationale*, Part E, Chapter IV, section "Les trustees et les structures patrimoniales", and Chapter V, section "Trusts et fondations : la fiscalité d'instruments étrangers": trustees subject to authorisation under the Financial Institutions Act; eleven authorised by FINMA in 2022 according to *LExpert Invest*; Swiss Tax Conference circular no. 30 of 22 August 2007 on the taxation of trusts.
2. Ressos, *Genève, place financière internationale*, Part E, Chapter V, sections "La fiscalité des entreprises depuis 2020" and "L'impôt anticipé et les conventions de double imposition": effective rate of 13.99 per cent in the City of Geneva from 2020, rising to about 14.7 per cent after the abolition of the communal business tax; withholding tax of 35 per cent on dividends; more than 100 Swiss double taxation agreements.
3. Bedell Cristin, "Jurisdictional Comparison" (August 2020), cited above, introduction and items (4), (6)–(8), (15) and (17).
4. Hong Kong open-ended fund company regime (in operation since 2018) and limited partnership fund regime (since 2020).
5. Bedell Cristin, "Jurisdictional Comparison" (August 2020), cited above, introduction and items (6)–(8), (10), (11) and (15): Article 47 of the Trusts (Jersey) Law on Hastings-Bass.
6. MAS, "Written Reply to Parliamentary Question on Single Family Offices", sitting of 5 August 2026, mas.gov.sg, accessed November 2026: "more than 2,000 Single Family Offices (SFOs) receive tax incentives" as at end-December 2025; record total AUM of S$6.7 trillion.

Copyright © 2026 Dr Alexander Ressos, TEP – Of Counsel, KGP Legal LLC. SingaporeIQ is an information website and gives no legal advice. For Singapore law advice through KGP Legal LLC, please write to alexander.ressos@kgplegal.com.sg