

# JAFFA & CO

Superyacht & Aviation Lawyers



## Spring 2026

As the days get longer and the flowers come into full bloom in Europe, minds turn to the Mediterranean yachting season, and the aircraft that fly there.

We have a number of exciting newbuild projects launching in the coming weeks, just in time for a pre-season shakedown followed by a summer of fun and adventure on the water.

I am writing this from our Fort Lauderdale office, where I am spending an increasing amount of my time. My trip began with the Palm Beach International Boat Show, and I think it is fair to say this is an industry favourite. I have never heard anybody say they *don't* enjoy Palm Beach. It is just a very, very nice place to spend a few days. As a yacht owner, it is relaxed, with high quality yachts on show, and far less congested than the Fort Lauderdale, Cannes, and Monaco yacht shows.

Footfall was noticeably down this year, due to uncertainty in Iran and the Middle East, and TSA-related travel disruption, all of which led to a spike in jet charter prices (I heard the charter cost to fly from New York to Palm Beach doubled compared with a fortnight earlier, but I don't know how true that is).

Reduced visitors may not be the most welcome news to our shipyard and brokerage friends, but those clients who did make the journey were generally serious about buying, and the impression I received is that it was still a positive show, overall.

As April turns into May, the industry shows come thick and fast. James Foley-Comer and Chrysa Kitsou visited the Palma International Boat Show, while Sarah Fairweather and Katie Bancroft recently attended Aero Friedrichshafen. 'Aero' was, by all accounts, a tremendous success, with pedigree attendees in a very picturesque location. Paul Dickie has just returned from the MYBA Charter Show.

We were extremely pleased to recognise the brilliant talents of Chrysa Kitsou and Katie Bancroft recently, who were promoted to Legal Director, and Lauren Philipson, who was promoted to Senior Associate. Chrysa and Lauren have been with the firm for more than 5 years, and Katie has been with me since (almost) the firm's inception, 7 years ago. They have each contributed so much to the growth of the business, and have all applied an unbelievable amount of knowledge and dedication, and I am grateful to them all.

Until the next edition, I wish you all a very good spring season.

**James Jaffa**  
**Managing Partner**





## Market Overview

Around half our business has a touch point with the Middle East, whether that is a GCC client, or an owner who resides in the region. Dubai and the surrounding area have seen such an influx of wealth and trade in recent times that it has come as something of a shock to see the turbulence in that market.

Irina Gotlib, our resident attorney in Dubai, tells me that she is safe and happy, and clients are saying much the same. Existing business is continuing as usual, but enquiries from the region are slightly reduced.

Unsurprisingly, we have seen a slowdown in enquiries from the region but, as I told the Superyacht Investor conference recently, I am not concerned for the long haul. The region will either settle down, or, in my view, prospective owners will grow tired of waiting. Much like we saw with COVID, there will be a pause for a number of weeks, before the market returns with a surge. The yachting sector was hit harder than the aviation sector, because private aircraft remain utility purchases and, arguably, have even greater value when commercial airline travel is disrupted.

Similarly, the US market seems to be tougher, but as I keep repeating, the volume of transactions in North America is so high that there is a long, long way to fall before the market experiences real 'problems'. In the past few weeks, our Fort Lauderdale office onboarded at least one new aircraft/yacht client per day, which is pretty good for a business of our size.

More than ever, though, it is important to distinguish between the aviation and superyacht sectors.

The aviation sector is resilient and seems to be continuing with a 'business as usual' mentality. We have not seen the rate of transactions slow, or valuations fall noticeably, across all cabin sizes. Customers who are fortunate enough to be offered delivery slots

for new aircraft are losing them because they don't move fast enough, and demand remains high. This is the trend we are seeing in Europe, the Middle East and the US.

In the yachting sector, a distinction should be made between Europe/Middle East and the US.

In my view, offers on yachts in Europe are not being made as freely as they were. However, offers to buy at *sensible* (that is, not high, but not very low) prices are being accepted, and those transactions are completing successfully. Good faith offers by committed purchasers are being accepted, even if they are below the price an owner wants to achieve, but we are not seeing any *fire sale* pricing.

Having said that, it is possible to find good deals in the market on new, production vessels at the smaller end of the luxury yacht market, and for larger superyachts over 5 years old. To put it another way, if it is small or old, it is proving difficult to sell. This does not apply to pedigree, European-built superyachts less than 3 years old. We are seeing yachts which were launched within the past year being sold for significant price premiums over and above the original build cost, because shipyard prices have increased so much in recent times. It is easy to justify paying more than the original owner, when the yacht has only one season of cruising and it is still €X million less than a new boat, which will take three years to arrive.

**James Jaffa**  
**Managing Partner**

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## Legal Update

Shortly after our previous newsletter (and therefore not as recent as we would like, but nevertheless worth publishing), on Friday, February 20, 2026, the United States Supreme Court struck down the sweeping tariffs that President Donald Trump had imposed under the International Emergency Economic Powers Act. This is welcome news for the aviation industry. While President Trump did immediately impose additional, limited tariffs under Section 122 of The Trade Act of 1974, Annex II of these tariffs exempts civil aircraft, engines, and parts that were eligible for duty-free treatment under the 1979 Agreement on Trade in Civil Aircraft.

What this means is that there are currently no tariffs imposed when importing civil aircraft into the United States. While those wishing to bring their aircraft into the United States do still need to import the aircraft, the cost to do so is limited to the import processing fee, which is capped at around \$600.

Uncertainty about what the future may hold is still prevalent, though, and the current situation could change at a moment's notice. If anyone is planning to conduct any maintenance on their aircraft in the United States in the near future or otherwise plans to

sell their aircraft into the United States, it is recommended to plan to complete the import of the aircraft sooner rather than later.

**Matthew Potts**  
Partner



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### **Bahamas Tax on Yacht Sales**

The Bahamas has long been seen as a tax-neutral venue for yacht closings, but we are seeing a noticeable and important shift in the interpretation of tax laws.

Some six months ago, we advised the outgoing owner in respect of a substantial yacht. Local Bahamas tax advisors insisted we completed the sale not just outside the Bahamas territorial waters (12 nm offshore) but also outside the Bahamas Exclusive Economic Zone (EEZ) for VAT reasons (the Bahamas imposes a standard VAT rate of 10%). There were specific reasons why VAT was said to apply; namely, the outgoing owner was a Bahamian company registered for Bahamian VAT.

However, we are now being advised that all yacht sales should be completed outside the Bahamas territorial waters and outside the Bahamas EEZ to avoid triggering a 10% tax under the Stamp Act 2024.

It is not agreed that the Stamp Act 2024 should (or indeed does) apply to vessels, but our current recommendation is to complete sales in international waters. As a matter of practicality, this means closings will take place within the US EEZ, and this seems to be accepted practice.

Completing within the US EEZ will not trigger a Florida Sales and Use Tax (which, in any case, is capped at \$18,000 per transaction and is likely to be far more cost-effective than cruising 200 nm into the Atlantic Ocean!).

**Scott Burgess**  
Partner



## A Few Things We Have Learned

### Who Controls Your Asset?

We recently had cause to investigate the ownership structure of a very well-established and reputable corporate service provider (a “CSP”). Most of our clients will use a CSP to act as corporate director and, often, corporate shareholder of the asset-owning entity, because it distances the beneficial owner from risks and adds a layer of privacy on public registers. Furthermore, it is often *necessary* because an entity will be incorporated in a jurisdiction for tax reasons, and a local director is required.

I was surprised to learn that the CSP in question was one small part of a group of *hundreds* of companies, which were incorporated in countries (almost literally) all around the world. The owning structure (of the CSP) ultimately led to one gentleman, who owns a substantial private equity company in New York.

Now, we are not suggesting (at all) that anything is remiss with the structure, but if your asset is owned by a corporate shareholder/CSP and held in trust for you as the owner, you do want to know who ultimately controls your very expensive aircraft and/or yacht.

**Jonathan Russell**  
**Partner**



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### **Superyachts: Temporary Admission – 10 Year Limitation?**

Several clients have recently asked whether the concept of Temporary Admission (“TA”) for VAT in Europe, concerning superyachts, could be limited to a ten-year period.

This is not, in our view, and following our investigations, accurate. Yachts that meet the criteria for TA can cruise privately in European waters for up to 18 months. By exiting EU waters, the vessel can return and benefit from a fresh 18-month period, and the process can be repeated without any ten-year limitation.

**James Foley-Comer**  
**Partner**



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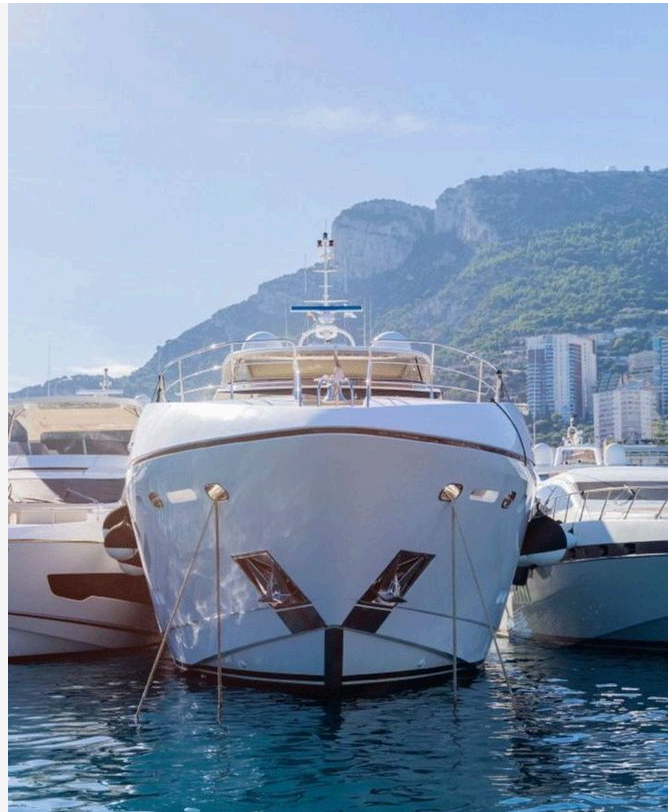
### **Some of our recent transactions**

The following is not an exhaustive list of matters we have advised on recently, but it gives a flavour of our work...!

#### **Superyachts**

- Advised an individual on his acquisition of a shareholding in a yacht-owning company for the purposes of shared ownership and use of a 29-metre Benetti motor yacht.
- Advised two co-owners on their joint purchase of an especially beautiful 28-metre Moonen motor yacht.

- Advised on the sale of a 47-metre Cantiere delle Marche explorer yacht for a repeat client with impeccable taste.
- Advised on the sale of a 45-metre Holland Jachtbouw sailing yacht.
- Advised on the sale of a 45-metre Feadship.
- Advised on the signing of a yacht construction contract for the buyer of a newbuild 57-metre Sanlorenzo motor yacht.



### **Jets**

- Advised on the acquisition of a new Airbus H145 for a highly discerning and successful client.
- Advised on the sale of a Legacy 600 aircraft for a very well-respected repeat client.
- Advised a UK owner on the sale of a PC-12 to an Austrian operator.
- Advised on the purchase and financing of a PC-12.
- Advised on the purchase of a Challenger 604.
- Advised on the bridge financing of a Global 6500 aircraft.

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### **Team Update**

We are delighted to share that Katie Bancroft and Chrysa Kitsou have both been promoted to Legal Directors, and Lauren Phillipson (née McNab) has been promoted to Senior Associate. These promotions reflect their dedication, expertise, and the significant contributions each of them makes to our clients and the firm. We are incredibly proud of their achievements and look forward to seeing them continue to thrive in their careers!

**Katie Bancroft** is a key point of contact for the firm's business aviation matters, advising on the sale, purchase, finance, and registration of aviation assets across multiple jurisdictions. With nearly 20 years' experience and more than 1,000 marine and aviation asset registrations to her name, she is known for her practical, commercial approach and her ability to guide clients seamlessly through complex transactions.



**Chrysa Kitsou** has extensive international experience across yacht and commercial vessel transactions, including construction, registration, and ownership structures. Her background includes private practice in multiple jurisdictions and in-house experience at a leading global shipping company, enabling her to deliver commercially focused and pragmatic advice to her clients.

**Lauren Phillipson** specialises in the sale, purchase, construction, and refit of superyachts and commercial vessels, as well as asset finance and high-value disputes. She advises UHNW individuals, financial institutions, and brokerage houses, and has recently acted on a number of complex, high-profile transactions and disputes within tight timeframes.



Until next time...



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