

Financial firms fleeing high-tax northeast for billionaire-packed Florida county

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Florida nets \$17B as wealth relocate from high-tax states: Report

The state and local tax (SALT) deduction is causing more Americans to move from high tax states to states with no income tax.

Forget [Wall Street Opens a New Window](#), financial firms are seeking warmer weather – and lower [taxes Opens a New Window](#) – in Florida.

Hedge funds, private equity firms and wealth management offices are leaving the northeast and heading to Palm Beach County, Florida.

Kelly Smallridge, president and CEO of Palm Beach County's Business Development Board, told FOX Business that more than 70 financial services companies have moved into Palm Beach County within the last three years. Currently, the organization is working with another 15.

"I cannot keep up with the number of companies coming in," Smallridge said. "Some are headquarters, some of them are regional operations. Many of them, once they get here, within short order establish [Palm Beach] as their home base."

Firms are primarily coming from three main areas – New York, Boston and Connecticut (specifically Greenwich). All of these locations were impacted by the \$10,000 cap on state and local tax deductions.

Some notable names that have moved into the Palm Beach area include Paul Tudor Jones and Wexford Capital.

Because of a surge in corporate relocation interest, the Palm Beach Development Board has created a full-time department dedicated to the cause.

It doesn't hurt that the county has a high concentration of wealth, either. There are 40 billionaire and 71,000 millionaire households, according to Smallridge. Residents also have access to three international airports and a high-speed rail, which can bring travelers straight to Miami.

The county's corporate tax rate is **5.5 percent**, while there is no corporate income tax on limited partnerships. Individuals are not subject to state income taxes in Florida.

As a result, once the financiers arrive in Florida, the “vast majority” are establishing their domicile in the state because “they want the tax benefits,” Smallridge added.

Palm Beach is not the only Florida county taking advantage of the exodus from high-tax states.

The Miami Downtown Development Authority is targeting Chicago-area businesses in a push to up its credibility as the “Wall Street of the South.”

Meanwhile, as FOX Business has been reporting, it’s not just businesses looking to relocate – but an increasing number of individuals, as well.

Miami is also ramping up efforts to recruit these unhappy families and individuals.

Around April 15, Miami real estate development firm Codina Partners launched its “**Unhappy New Yorkers**” campaign.

Armando Codina, executive chairman of Codina Partners, told FOX Business the firm also planned to launch similar campaigns targeting New Jersey and Connecticut.

Data from the U.S. Census Bureau showed that while Florida received more movers than any other state last year, New York's outflows to the Sunshine State were the highest – 63,772 people. New York had the third-largest outflows of any state, with 452,580 people moving out within the past year.

Individuals earning \$650,000 can save more than **\$69,700** in taxes per year by moving from New York to Florida.

In addition to Florida, Texas and Nevada are other states that people are relocating to, according to multiple financial advisers.