Table of Contents

High-Tax Jurisdictions

Preface .................................................................................................................. 1

Australia

Introduction ........................................................................................................... AUS/1
Tax Treaty Regime ............................................................................................. AUS/5
Treatment of Offshore Transactions .............................................................. AUS/13
Devices for Utilising Low-Tax Jurisdictions .................................................. AUS/20

Austria

Introduction ........................................................................................................... AUT/1
Tax Treaty Regime ............................................................................................. AUT/3
Treatment of Offshore Transactions .............................................................. AUT/6
Devices for Utilising Low-Tax Jurisdictions .................................................. AUT/8

Belgium

Transactions with Low-Tax Jurisdictions ....................................................... BEL/1
Absence of General Anti-Avoidance Disposition ........................................ BEL/2
Anti-Avoidance Dispositions of the Income Tax Code ................................ BEL/3
Tax Treaties ........................................................................................................... BEL/9
Treaty Shopping ................................................................................................. BEL/9
Vehicles for Using Low-Tax Jurisdictions ....................................................... BEL/9

Canada

Transactions with Low-Tax Jurisdictions ....................................................... CDN/1
Tax Treaty Regime ............................................................................................. CDN/1
Treatment of Offshore Transactions .............................................................. CDN/9
Permissible Devices for Using Low-Tax Jurisdictions ................................ CDN/27
Conclusion ........................................................................................................... CDN/34
## Finland
- Introduction
- Tax Treaty Regime
- Treatment of Offshore Transactions

## France
- Introduction
- Low-Tax Jurisdictions
- Tax Treaty Regime
- Treaty Shopping
- Tax Haven Legislation
- Tax Vehicles

## Germany
- Transactions with Low-Tax Jurisdictions
- Tax Treaty Regime
- Treatment of Offshore Transactions
- Permissible Devices for Utilising Low-Tax Jurisdictions

## Greece
- Introduction
- Attitude of Fiscal Authorities towards Transactions with Low-Tax Jurisdictions
- Tax Treaty Regime
- Treatment of Offshore Transactions
- Permissible Devices for Utilising Low-Tax Jurisdictions

## Indonesia
- Introduction
- Double-Taxation Treaties
- Residence Jurisdiction

## Italy
- Transactions with Low-Tax Jurisdictions
- Tax Treaty Regime

(Release 5 – 2016)
# Table of Contents

Treatment of Offshore Transactions ........................................ ITA/13  
Use of Tax Havens ................................................................. ITA/22  

## Japan

Introduction .................................................................................. JPN/1  
Tax Treaty Regime ....................................................................... JPN/3  
Domestic Legislation with Regard to Low-Tax Transactions ......... JPN/12  
Transfer Pricing .......................................................................... JPN/21  

## Mexico

Introduction .................................................................................. MEX/1  
Tax Treaty Regime ....................................................................... MEX/3  
Treatment of Offshore Transactions ........................................... MEX/5  
Permissible Devices for Utilizing Low-Tax Jurisdictions .......... MEX/11  

## The Netherlands

Transactions with Low-Tax Jurisdictions ................................. NED/1  
Tax Treaty Regime ....................................................................... NED/6  
Treatment of Offshore Transactions ........................................... NED/24  
Permissible Devices for Utilising Low-Tax Jurisdictions ......... NED/33  

## New Zealand

Introduction .................................................................................. NZ/1  
Tax Treaty Regime ....................................................................... NZ/3  
Treatment of Offshore Transactions ........................................... NZ/15  
Permissible Devices for Utilising Low-Tax Jurisdictions ......... NZ/24  

## Norway

Introduction .................................................................................. NOR/1  
Tax Treaty Regime ....................................................................... NOR/4  
Treatment of Offshore Transactions ........................................... NOR/8  
Permissible Devices for Using Low-Tax Jurisdictions .......... NOR/14  

(Release 5 – 2016)
Portugal
Transactions with Low-Tax Jurisdictions ......................... POR/1
Permissible Devices for Utilising Low-Tax Jurisdictions ......... POR/20

Romania
Introduction.......................................................... ROM/1
Transactions with Low-Tax Jurisdictions ......................... ROM/2
Tax Treaty Regime.................................................... ROM/8

Spain
Introduction.......................................................... SPA/1
Tax Treaty Regime.................................................... SPA/7
Treatment of Offshore Transactions ............................... SPA/17
Devices for Using Low-Tax Jurisdictions ......................... SPA/20

United Kingdom
Transactions with Low-Tax Jurisdictions ......................... UK/1
Tax Treaty Regime.................................................... UK/20
Offshore Transactions .............................................. UK/37
Devices for Utilising Low-Tax Jurisdictions ..................... UK/59

United States
Introduction.......................................................... US/1
Jurisdictional Tax Treatment....................................... US/10
Tax Treaty Regime.................................................... US/17
Treatment of Offshore Transactions ............................... US/39
Permissible Devices for Utilising Low-Tax Jurisdictions ..... US/48

Low-Tax Jurisdictions

Anguilla
Introduction.......................................................... AIA/1
Tax Regime............................................................ AIA/3
Impact of Tax Treaties ................................................ AIA/7

(Release 5 – 2016)
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sourcing Income within Anguilla</td>
<td>AIA/7</td>
</tr>
<tr>
<td>Establishing Residence within Anguilla</td>
<td>AIA/8</td>
</tr>
<tr>
<td>Vehicles Available for Achieving Favourable Tax Status</td>
<td>AIA/9</td>
</tr>
<tr>
<td><strong>Aruba</strong></td>
<td></td>
</tr>
<tr>
<td>Introduction</td>
<td>ARU/1</td>
</tr>
<tr>
<td>Aruba Tax Regime</td>
<td>ARU/3</td>
</tr>
<tr>
<td>Advantages of Sourcing Income in Aruba</td>
<td>ARU/18</td>
</tr>
<tr>
<td>Vehicles for Achieving Favourable Tax Status</td>
<td>ARU/20</td>
</tr>
<tr>
<td>Impact of Tax Treaties and Kingdom Tax Arrangement</td>
<td>ARU/24</td>
</tr>
<tr>
<td>Establishing Residence and Presence in Aruba</td>
<td>ARU/29</td>
</tr>
<tr>
<td><strong>The Bahamas</strong></td>
<td></td>
</tr>
<tr>
<td>Introduction</td>
<td>BAH/1</td>
</tr>
<tr>
<td>Individuals</td>
<td>BAH/4</td>
</tr>
<tr>
<td>Companies</td>
<td>BAH/6</td>
</tr>
<tr>
<td>Partnerships</td>
<td>BAH/11</td>
</tr>
<tr>
<td>Trusts</td>
<td>BAH/12</td>
</tr>
<tr>
<td>Taxes</td>
<td>BAH/15</td>
</tr>
<tr>
<td>Special Business</td>
<td>BAH/16</td>
</tr>
<tr>
<td><strong>Barbados</strong></td>
<td></td>
</tr>
<tr>
<td>Introduction</td>
<td>BAR/1</td>
</tr>
<tr>
<td>Tax Regime and Classification as No-Tax or Low-Tax Jurisdiction</td>
<td>BAR/1</td>
</tr>
<tr>
<td>Impact of Tax Treaties</td>
<td>BAR/2</td>
</tr>
<tr>
<td>Procedure for and Advantages of Sourcing Income</td>
<td>BAR/6</td>
</tr>
<tr>
<td>Procedure for and Advantages of Establishing Residence</td>
<td>BAR/19</td>
</tr>
<tr>
<td><strong>Belize</strong></td>
<td></td>
</tr>
<tr>
<td>Introduction</td>
<td>BIZ/1</td>
</tr>
<tr>
<td>Tax Tools</td>
<td>BIZ/2</td>
</tr>
<tr>
<td>Banking</td>
<td>BIZ/2</td>
</tr>
<tr>
<td>Tax Regime and Classification as No-Tax Jurisdiction for Non-Residents</td>
<td>BIZ/5</td>
</tr>
</tbody>
</table>
Establishing Residence in Belize ................................................................. BIZ/10
Domestic Taxes for Residents ...................................................................... BIZ/12
Vehicles Available for Achieving Favourable Tax Status ............................. BIZ/14

Bermuda
Tax Regime .................................................................................................. BER/1
Impact of Tax Treaties .................................................................................. BER/3
Sourcing Income within Bermuda ............................................................... BER/3
Establishing Residence within Bermuda ..................................................... BER/4
Vehicles Available for Achieving Favourable Tax Status ............................. BER/6
Conclusion ....................................................................................................... BER/10

British Virgin Islands
Introduction .................................................................................................... IVB/1
Definitions ..................................................................................................... IVB/1
Tax Regime and Classification as No Tax or Low Tax ................................. IVB/5
Stamp Duty ................................................................................................... IVB/6
Tax Treaties ................................................................................................... IVB/7
Sourcing Income within the British Virgin Islands ....................................... IVB/7
Vehicles for Achieving Favourable Tax Status ........................................... IVB/8
Conclusion ....................................................................................................... IVB/22

Cayman Islands
Introduction .................................................................................................... CAY/1
Banking ......................................................................................................... CAY/4
Insurance ...................................................................................................... CAY/9
Corporations and Companies ...................................................................... CAY/12
Limited Partnerships .................................................................................... CAY/18
Trusts ............................................................................................................. CAY/20
Residence, Employment, and Carrying on Business ................................... CAY/24

(Release 5 – 2016)
<table>
<thead>
<tr>
<th>Location</th>
<th>Section</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Costa Rica</td>
<td>Tax Regime and Classification as Low-Tax Jurisdiction</td>
<td>CRC/1</td>
</tr>
<tr>
<td></td>
<td>Impact of Tax Treaties</td>
<td>CRC/3</td>
</tr>
<tr>
<td></td>
<td>Sourcing Income in Costa Rica</td>
<td>CRC/3</td>
</tr>
<tr>
<td></td>
<td>Establishing Residence in Costa Rica</td>
<td>CRC/4</td>
</tr>
<tr>
<td></td>
<td>Vehicles Available for Achieving Favourable Tax Status</td>
<td>CRC/6</td>
</tr>
<tr>
<td>Cyprus</td>
<td>Introduction</td>
<td>CYP/1</td>
</tr>
<tr>
<td></td>
<td>Tax Regime and Classification as No-Tax or Low-Tax Jurisdiction</td>
<td>CYP/1</td>
</tr>
<tr>
<td></td>
<td>Impact of Tax Treaties</td>
<td>CYP/14</td>
</tr>
<tr>
<td></td>
<td>Sourcing Income within Cyprus</td>
<td>CYP/16</td>
</tr>
<tr>
<td>Dominica</td>
<td>Introduction</td>
<td>DMA/1</td>
</tr>
<tr>
<td></td>
<td>Tax Regime and Classification as No-Tax or Low-Tax Jurisdiction</td>
<td>DMA/1</td>
</tr>
<tr>
<td></td>
<td>Impact of Tax Treaties</td>
<td>DMA/1</td>
</tr>
<tr>
<td></td>
<td>Procedure for and Advantages of Sourcing Income within Jurisdiction</td>
<td>DMA/2</td>
</tr>
<tr>
<td></td>
<td>Caribbean Common Market</td>
<td>DMA/4</td>
</tr>
<tr>
<td></td>
<td>Procedure for and Advantages of Establishing Residence within Jurisdiction</td>
<td>DMA/5</td>
</tr>
<tr>
<td></td>
<td>Vehicles for Achieving Favourable Tax Status</td>
<td>DMA/5</td>
</tr>
<tr>
<td>Gibraltar</td>
<td>...... Reserved ......</td>
<td></td>
</tr>
<tr>
<td>Guernsey</td>
<td>Tax Regime and Classification as No-Tax or Low-Tax Jurisdiction</td>
<td>GUE/1</td>
</tr>
<tr>
<td></td>
<td>Tax Treaties</td>
<td>GUE/6</td>
</tr>
<tr>
<td></td>
<td>Procedure for and Advantages of Sourcing Income within the Jurisdiction</td>
<td>GUE/9</td>
</tr>
<tr>
<td></td>
<td>Procedure for and Advantages of Establishing Residence within the Jurisdiction</td>
<td>GUE/11</td>
</tr>
<tr>
<td></td>
<td>Vehicles Available for Achieving Favourable Tax Status</td>
<td>GUE/11</td>
</tr>
<tr>
<td>Country</td>
<td>Section</td>
<td>Reference</td>
</tr>
<tr>
<td>---------</td>
<td>-------------------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>Introduction</td>
<td>HKG/1</td>
</tr>
<tr>
<td></td>
<td>Tax Regime and Classification as a Low-Tax Jurisdiction</td>
<td>HKG/1</td>
</tr>
<tr>
<td></td>
<td>Impact of Tax Treaties</td>
<td>HKG/2</td>
</tr>
<tr>
<td></td>
<td>Profits Tax in Hong Kong</td>
<td>HKG/3</td>
</tr>
<tr>
<td></td>
<td>Establishing Residence within Hong Kong</td>
<td>HKG/8</td>
</tr>
<tr>
<td>Ireland</td>
<td>Tax Regime and Classification as No-Tax or Low-Tax Jurisdiction</td>
<td>IRE/1</td>
</tr>
<tr>
<td></td>
<td>Impact of Tax Treaties</td>
<td>IRE/19</td>
</tr>
<tr>
<td></td>
<td>Sourcing Income within Ireland</td>
<td>IRE/21</td>
</tr>
<tr>
<td></td>
<td>Establishing Residence within Ireland</td>
<td>IRE/27</td>
</tr>
<tr>
<td>Jamaica</td>
<td>Tax Regime and Classification as No-Tax or Low-Tax Jurisdiction</td>
<td>JAM/1</td>
</tr>
<tr>
<td></td>
<td>Impact of Tax Treaties</td>
<td>JAM/2</td>
</tr>
<tr>
<td></td>
<td>Sourcing Income in Jamaica</td>
<td>JAM/3</td>
</tr>
<tr>
<td></td>
<td>Establishing Residence in Jamaica</td>
<td>JAM/4</td>
</tr>
<tr>
<td></td>
<td>Vehicles for Achieving Favourable Tax Status</td>
<td>JAM/5</td>
</tr>
<tr>
<td>Jersey</td>
<td>Tax Regime and Status as Low-Tax Jurisdiction</td>
<td>JER/1</td>
</tr>
<tr>
<td></td>
<td>Impact of Tax Treaties</td>
<td>JER/3</td>
</tr>
<tr>
<td></td>
<td>Sourcing Income in Jersey</td>
<td>JER/5</td>
</tr>
<tr>
<td></td>
<td>Establishing Residence in Jersey</td>
<td>JER/7</td>
</tr>
<tr>
<td></td>
<td>Vehicles Available for Achieving Favourable Tax Status</td>
<td>JER/8</td>
</tr>
<tr>
<td>Jordan</td>
<td>Introduction</td>
<td>JOR/1</td>
</tr>
<tr>
<td></td>
<td>Tax Regime and Classification as No-Tax or Low-Tax Jurisdiction</td>
<td>JOR/2</td>
</tr>
<tr>
<td></td>
<td>Non-Operating Foreign Companies</td>
<td>JOR/6</td>
</tr>
<tr>
<td></td>
<td>Investment Promotion</td>
<td>JOR/7</td>
</tr>
<tr>
<td></td>
<td>Jordan Industrial Estates Exemption</td>
<td>JOR/7</td>
</tr>
<tr>
<td></td>
<td>Free Zones</td>
<td>JOR/8</td>
</tr>
</tbody>
</table>

(Release 5 – 2016)
<table>
<thead>
<tr>
<th>Table of Contents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aqaba Special Economic Area .................................. JOR/8</td>
</tr>
<tr>
<td>Qualifying Industrial Zones ................................... JOR/10</td>
</tr>
<tr>
<td>Estate Tax .................................................................... JOR/10</td>
</tr>
<tr>
<td>Double Taxation Treaties .......................................... JOR/11</td>
</tr>
<tr>
<td><strong>Kuwait</strong></td>
</tr>
<tr>
<td>Status as Low-Tax or No-Tax Jurisdiction .................... KUW/1</td>
</tr>
<tr>
<td>Impact of Tax Treaties ............................................. KUW/3</td>
</tr>
<tr>
<td>Sourcing Income within Kuwait ................................... KUW/3</td>
</tr>
<tr>
<td>Establishing Residence within Kuwait ......................... KUW/3</td>
</tr>
<tr>
<td>Incentives .................................................................... KUW/4</td>
</tr>
<tr>
<td><strong>Liechtenstein</strong></td>
</tr>
<tr>
<td>Tax Regime and Classification as No-Tax or Low-Tax Jurisdiction ... LIE/1</td>
</tr>
<tr>
<td>Forms of Taxation .................................................... LIE/3</td>
</tr>
<tr>
<td>Impact of Tax Treaties ............................................. LIE/18</td>
</tr>
<tr>
<td>Sourcing Income within Liechtenstein .......................... LIE/20</td>
</tr>
<tr>
<td>Establishing Residence within Liechtenstein ................ LIE/22</td>
</tr>
<tr>
<td>Vehicles Available for Achieving Favourable Tax Status .... LIE/27</td>
</tr>
<tr>
<td>Conclusion .................................................................... LIE/42</td>
</tr>
<tr>
<td><strong>Macao</strong></td>
</tr>
<tr>
<td>Introduction ............................................................. MAC/1</td>
</tr>
<tr>
<td>The Tax System ........................................................ MAC/2</td>
</tr>
<tr>
<td><strong>Malta</strong></td>
</tr>
<tr>
<td>Introduction ............................................................. MAL/1</td>
</tr>
<tr>
<td>Sourcing Income within Jurisdiction ............................ MAL/5</td>
</tr>
<tr>
<td>Establishing Residence within Jurisdiction ................... MAL/22</td>
</tr>
<tr>
<td>Vehicles Available for Achieving Favourable Tax Status ..... MAL/32</td>
</tr>
</tbody>
</table>
Mauritius
Introduction.................................................................................. MRI/1
Tax Regime...................................................................................... MRI/2
Sourcing Income within Mauritius............................................... MRI/13

Monaco
Introduction.................................................................................. MON/1
Sourcing Income in Monaco .......................................................... MON/5
Establishing Residence in Monaco .............................................. MON/9
Vehicles for Achieving Tax-Favourable Status ......................... MON/11
Conclusion..................................................................................... MON/13

Netherlands Antilles
Classification of the Current Tax Regime and its Main Elements ..... AHO/1
Impact of Double-Tax Treaties ...................................................... AHO/12
Procedure for and Advantages of Sourcing Income within the Jurisdiction ......................................................................... AHO/13
Procedure for and Advantages of Establishing Residence within the Jurisdiction ................................................................. AHO/13
Vehicles Available for Achieving Favourable Tax Status .......... AHO/17

Nevis
Introduction.................................................................................. NEV/1
Impact of Tax Treaties .................................................................. NEV/3
Sourcing Income within the Jurisdiction...................................... NEV/4
Establishing Residence within the Jurisdiction........................ NEV/6
Vehicles Available for Achieving Favourable Tax Status .......... NEV/6

Oman
Tax Regime.................................................................................... OMA/1
Procedure for Sourcing Income .................................................. OMA/3
Establishing Residence in Oman ................................................ OMA/4
Vehicles Available for Achieving Favourable Tax Status .......... OMA/5

(Release 5 – 2016)
# TABLE OF CONTENTS

## Panama

- **Introduction** ................................................................. PAN/1
- **Impact of Tax Treaties** .................................................. PAN/11
- **Establishing Residence within Panama** .............................. PAN/15
- **Vehicles Available for Achieving Favourable Tax Status** ....... PAN/17

## San Marino

- **Introduction** ........................................................................ SMR/1
- **Tax Regime and Classification as No-Tax or Low-Tax Jurisdiction** SMR/1
- **Impact of Tax Treaties** ..................................................... SMR/4
- **Sourcing Income in San Marino** ......................................... SMR/4
- **Establishing Residence in San Marino** ................................. SMR/10
- **Vehicles Available for Achieving Favourable Tax Status** ...... SMR/11

## Seychelles

- **Tax Regime and Classification as No-Tax or Low-Tax Jurisdiction** SEY/1
- **Impact of Tax Treaties** ..................................................... SEY/3
- **Sourcing Income in Seychelles** .......................................... SEY/4
- **Establishing Residence within Seychelles** ............................. SEY/6
- **Vehicles Available for Achieving Favourable Tax Status** ...... SEY/6

## Singapore

- **Introduction** ........................................................................ SGP/1
- **Tax Regime and Classification as No-Tax or Low-Tax Jurisdiction** SGP/1
- **Impact of Tax Treaties** ..................................................... SGP/7
- **Establishing Residence within Jurisdiction** ............................ SGP/12
- **Conclusion** ......................................................................... SGP/26

## Sri Lanka

- **Tax Regime and Classification as Non-Tax or Low-Tax Jurisdiction** SRI/1
- **Impact of Tax Treaties** ..................................................... SRI/2
- **Procedure for and Advantages of Sourcing Income within Jurisdiction** SRI/9

(Release 5 – 2016)
Procedure for and Advantages of Establishing Residence within the Jurisdiction .................................................. SRI/26
Individuals .................................................................................. SRI/26
Vehicles Available for Achieving Favorable Tax Status ............. SRI/33

**St Vincent and The Grenadines**

Introduction .................................................................................. VIN/1
Tax Regime .................................................................................. VIN/2
Tax Treaties .................................................................................. VIN/3
Offshore Centre ............................................................................. VIN/3

**Switzerland**

Introduction .................................................................................. SWI/1
Tax Regime and Classification as No-Tax or Low-Tax Jurisdiction .. SWI/1
Impact of Tax Treaties .................................................................. SWI/17
Sourcing Income within Switzerland ............................................. SWI/22
Establishing Residence within Switzerland .................................. SWI/29
Vehicles Available for Achieving Favourable Tax Status ............ SWI/31

**Trinidad and Tobago**

Introduction .................................................................................. TRI/1
Impact of Tax Treaties .................................................................. TRI/6
Sourcing Income .......................................................................... TRI/7
Establishing Residence ................................................................. TRI/10
Vehicles for Achieving Favourable Tax Status ............................. TRI/11

**Turks and Caicos Islands**

Introduction .................................................................................. TCA/1
Tax Regime and Classification as No-Tax Jurisdiction ................ TCA/2
Impact of Tax Treaties .................................................................. TCA/2
Procedure for and Advantages of Sourcing Income ................. TCA/3
Establishing Residence within the Jurisdiction .......................... TCA/12
Vehicles Available for Favourable Tax Status ............................. TCA/15
Conclusion ..................................................................................... TCA/23

(Release 5 – 2016)
# TABLE OF CONTENTS

## United Arab Emirates
- Tax Regime and Classification as a No-Tax Jurisdiction ........... UAE/1
- Impact of Tax Treaties .......................................................... UAE/2
- Sourcing Income in the United Arab Emirates ....................... UAE/2
- Establishing Residence in the United Arab Emirates .............. UAE/3
- Vehicles Available for Achieving Favourable Tax Status .......... UAE/4

## Uruguay
- Offshore Corporations.............................................................. URU/1

## United States Virgin Islands
- Tax Regime and Classification as No-Tax or Low-Tax Jurisdiction.... VIR/1
- Impact of Tax Treaties .......................................................... VIR/4
- Sourcing Income in the United States Virgin Islands .............. VIR/5
- Establishing Residence in the United States Virgin Islands ...... VIR/6
- Vehicles Available for Achieving Favourable Tax Status .......... VIR/8

## European Union
- Introduction.................................................................................. EU/1
- Direct Taxes................................................................................ EU/2
- Value-Added Taxes.................................................................. EU/9
- Capital Duty............................................................................... EU/12
- Transfer Pricing Convention .................................................. EU/13
- Mutual Assistance Directive ................................................... EU/13
- Case Law................................................................................... EU/15
- Report on Harmful Tax Competition ..................................... EU/17
- Electronic Commerce.............................................................. EU/18

## Double-Taxation Treaties
- Introduction.................................................................................. DTT/1
- Development of Double-Taxation Treaties............................... DTT/2
- The Commentary ....................................................................... DTT/3
- Types of Double-Taxation Agreements .................................. DTT/4
- Inheritance Tax Double-Taxation Agreements ....................... DTT/4
- Organisation for Economic Co-Operation Development Models... DTT/5

(Release 5 – 2016)