



Taxation and Economic Substance

With the introduction of economic substance requirements in a number of offshore jurisdictions, economic substance and local tax matters are becoming increasingly important in Bermuda, the British Virgin Islands, the Cayman Islands, Guernsey and Jersey.

Our taxation and economic substance team advises clients across all sectors on various tax matters, including tax residence, economic substance requirements, income tax, FATCA and the OECD's Common Reporting Standard (CRS) and tax disputes.

To help businesses ensure compliance with economic substance requirements, our team conducts substance audits on existing structures, procedures and documents to help identify any issues both in terms of an initial audit of compliance and on an ongoing basis.

Our team works closely with businesses to provide practical advice and tailored solutions to help remedy any gaps or other issues that could prevent compliance with economic substance requirements in Bermuda, the British Virgin Islands, the Cayman Islands, Guernsey and Jersey.

Our taxation and economic substance services include:

- Privileged advice on corporate tax residence status
- Privileged advice on FATCA and CRS matters
- Classification of companies for economic substance purposes
- Full structural and documentation reviews in the context of economic substance requirements
- Annual substance reviews and opinions on compliance
- Dealing with tax authorities in relation to requests for information, queries, audits and claims
- Practical and privileged advice on compliance with economic substance legislation, including in relation to:
 - The "directed and managed" test
 - Core income generating activities
 - Outsourcing
 - Adequate personnel, premises and operating expenditure
 - Reporting requirements
 - Enhanced requirements for intellectual property companies
 - Application of guidance notes
 - Analysis of existing processes
 - Practical solutions to achieve compliance, including preparing or amending any necessary agreements.



RELATED SERVICES

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- / Banking and Finance
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- / Intellectual Property
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For advice and guidance in respect of your specific circumstances, please contact a member of our taxation and economic substance team at careyolsen.com

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