

International Agreements: Implications for the Bahamas

Prepared for the Bahamas Institute of Financial Services

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Introduction

- Income Tax Treaties
- Investment Agreements
- Treaty Regimes: UAE, Mauritius, Barbados, Cyprus, Singapore, Malta
- Opportunities Arising from the OECD Harmful Tax Practices Initiative
- The Bahamas and the U.S.
- Summary and Conclusion

Income Tax Treaties

- What do income tax treaties include?
- What are the benefits?
- Better Rates of Withholding Taxes
- Permanent Establishment
- Mutual Assist & Competent Authority Proceed
- Foreign Tax Credit
- Capital Gains
- Personal Services

Investment Agreements

- Bilateral Investment Treaties (BITs)
- Free Trade Agreements (FTAs)
- WTO
- Broad Coverage
- Most-Favored Nation Treatment
- Resolution of Tax Disputes

UAE

- Tax Issues
- Treaty Regime
 - Tax Treaties
 - Bilateral Investment Treaties
- An Exception to the Rule: UAE-Austria Treaty

Mauritius

- Tax Issues
- Treaty Regime
 - Tax Treaties
 - Bilateral Investment Treaties (BITs)
- Regulatory and Compliance Issues

Barbados

- Tax Issues
- Treaty Regime
 - Tax Treaties
 - Bilateral Investment Treaties
- Regulatory and Compliance Issues
- Financial Products

Cyprus

- Tax Issues
- Treaty Regime
 - Tax Treaties
 - Bilateral Investment Treaties
- Arbitration

Singapore

- Tax Issues
- Treaty Regime
 - Tax Treaties
 - Bilateral Investment Treaties

Malta

- Tax Issues
- Treaty Regime
 - Tax Treaties
 - Bilateral Investment Treaties

SOFC Use of International Agreements

- What have other SOFCs done?
- Issues for the Bahamas
 - Lack of an income tax treaty
 - Building treaty capacity
 - Competition from other SOFCs

Other Treaty Regimes

- Bilateral tourism agreements
 - ASEAN Tourism Agreement

OECD Harmful Tax Practices Initiative

- Overview
- SOFC treaties
 - Isle of Man-Netherlands TIEA
 - Australia-Bermuda TIEA
 - Canadian Budget Developments
 - Commonwealth Secretariat Report

The U.S. Market

- Mini-tax treaties
- Tourism/travel agreements
- New US Tax Legislation Targets Offshore Jurisd
- Other Issues

Conclusion

- SOFCs Use Treaty Regimes to Attract Financial Services
- SOFCs Will Be Under Pressure To do TIEAs
- USG and States Have Variety of Treaty Regimes
- Panama Example
- CARICOM
- Where does the Bahamas go from here?

Discussion

Your questions?

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