



## EU Mandatory Disclosures for Intermediaries

The Directive comes into effect on the 1st July 2020 and imposes reporting obligations on cross border arrangements (CBAs), relating to direct taxation, that contain at least one of the hallmarks listed in the EU Council Directive 2018/822/EU.

A cross border arrangement is an arrangement that includes at least an EU member state and another jurisdiction, where at least ONE of the following conditions must be met:

- Participants not resident same jurisdiction; OR
- Participant/s simultaneously tax resident in 2 or more jurisdictions; OR
- Participant/s has PE in another jurisdiction where part or whole arrangement takes place; OR
- Participant/s carries on business in other jurisdiction where not tax resident and has no PE; OR
- Arrangement impacts on AEOI or identification of UBO or Transfer Pricing.

On these basis any a transaction, contract, payments or receipt, and a series or a part or one step of these, and a corporate or entity structure, may be considered an arrangement and any person or entity being part of the CBA may be considered a participant.

The first reporting period will be between the 1st July 2020 and the 31st August 2020 and the obligation is to report CBAs that occurred between the 25 June 2018 and the 30 June 2020.

As from the 1st July 2020 new CBAs coming into place will need to be reported within 30 days.

The objective of the 6th amendment to the Directive is to provide information to the local tax authorities regarding aggressive tax planning strategies being participated in, advised upon, promoted and implemented by intermediaries and taxpayers in the European Union. This information will be shared with all other EU member states. The duty to report lies with all involved intermediaries and ultimately with the taxpayers. Examples of Intermediaries are Lawyers, Accountants, Trustees, Corporate Service Providers, Tax Advisors and Banks.

We can assist you in minimising the impact of DAC6 on your business activity whilst still ensuring full compliance with the EU directive and the local laws.

Please feel free to contact us!

**PLEASE FEEL FREE TO CONTACT US WITH ANY QUESTIONS OR QUERIES.**

TRUST 4 TRUST GROUP

EMAIL: [INFO@TRUST4TRUST.COM](mailto:INFO@TRUST4TRUST.COM)

PH.: +41 91 220 4710

FAX: +41 91 220 4711