

**SAINT VINCENT AND THE GRENADINES**  
**INTERNATIONAL TAX COOPERATION (ECONOMIC SUBSTANCE)**  
**REGULATIONS 2021**

**ARRANGEMENT OF REGULATIONS**

Regulation

**PART 1**

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**SAINT VINCENT AND THE GRENADINES**  
**STATUTORY RULES AND ORDERS**

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**(GAZETTED ....., 2021)**  
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**PART 1**

**PRELIMINARY AND INTERPRETATION**

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|------------------------------------|---|
| Short title and commencement       | <p><b>1.</b> (1) These Regulations may be cited as the International Tax Cooperation (Economic Substance) Regulations, 2021.</p> <p>(2) These Regulations come into force on (date).</p>  |
| Interpretation                     | <p><b>2.</b> (1) In these Regulations, unless the context otherwise requires –</p> <p>“Act” means the International Tax Cooperation (Economic Substance) Act, 2020;</p> <p>“locally controlled entity” means a resident entity that meets each of the conditions specified in section 5(b) of the Act;</p> <p>“prescribed identification information” with respect to a person means the information specified in regulation 5;</p> <p>“shareholding owner” means a person who, directly or indirectly, owns one or more issued shares in a resident entity;</p> <p>“ultimate holding entity” means a holding entity that is not a subsidiary of another entity;</p> <p>“vote controller” means a person who is entitled, directly or indirectly, to exercise or control the exercise voting rights in a resident entity;</p> <p>(2) A word or phrase defined in the Act has, unless the context otherwise requires, the same meaning in these Regulations.</p> |
| Meaning of “publicly owned entity” | <p><b>3.</b> For the purposes of section 6(1)(d) of the Act, a publicly owned entity means an entity –</p>  |

- (a) constituted under an Act of Parliament, but excluding a company incorporated under the Companies Act or a business company incorporated under the Business Companies Act; and
- (b) which is wholly owned or controlled by the Government or a local authority.

**4.** (1) The return to be provided by a resident entity to the Comptroller under section 11(1) of the Act shall include the following information for the relevant assessment period – Information and documents for return

- (a) whether the resident entity claims to be an excluded entity and, if so, whether it claims to be –
  - (i) tax resident in a country outside Saint Vincent and the Grenadines which is not on the European Union list of non-cooperative jurisdictions for tax purposes; or
  - (ii) a locally controlled entity;
- (b) if the resident entity claims to be tax resident in a country outside Saint Vincent and the Grenadines –
  - (i) the country outside Saint Vincent and the Grenadines in which it was tax resident during the assessment period ;
  - (ii) its tax identification number, or equivalent, for the country in which it is tax resident;
  - (iii) the prescribed identification information with respect to each of the resident entity's holding entities, including its ultimate holding entity and where each holding entity is located; and
  - (iv) the prescribed identification information with respect to each ultimate beneficial owner of the resident entity, including where each ultimate beneficial owner is located;
  - (v) such other information as may be specified in the return.
- (c) if the resident entity claims to be a locally controlled entity –
  - (i) a description of the resident entity's activities;
  - (ii) a statement confirming that the resident entity conducts its activities exclusively in Saint Vincent and the Grenadines together with the information relied upon to substantiate the claim;
  - (iii) a statement confirming that the resident entity is not part of a multinational enterprise group;

- (iv) the prescribed identification information with respect to each shareholding owner of the resident entity, stating in each case whether the shareholding owner is a local person within section 6(1) of the Act and, if so, the paragraph in section 6(1) of the Act that applies to the person;
  - (v) the prescribed identification information with respect to each vote controller of the resident entity, stating in each case whether the vote controller is a local person within the meaning of the Act and, if so, the paragraph in section 6(1) of the Act that applies to the person;
  - (vi) the prescribed identification information with respect to each director of the resident entity, stating in each case whether the director is a local person within the meaning of the Act and, if so, the paragraph in section 6(1) of the Act that applies to the person; and
  - (vii) such other information as may be specified in the return.
- (d) in the case of a relevant entity –
- (i) whether or not the entity undertook a relevant activity during the assessment period and, if it did, whether the entity was a pure equity holding entity; and
  - (ii) in the case of a relevant entity that undertook a relevant activity during the assessment period, the information specified in subregulation (2) or, in the case of a pure equity holding entity, in subregulation (3).

(2) A resident entity that undertook a relevant activity during an assessment period, other than a pure equity holding company, shall provide the following information with respect to the assessment period –

- (a) each type of relevant activity undertaken by the entity;
- (b) if the entity carried on intellectual property holding business, whether or not it was a high-risk IP entity;
- (c) the information relied upon to establish that the entity was directed and managed in Saint Vincent and the Grenadines in relation to each relevant activity undertaken;
- (d) the core income generating activities conducted in Saint Vincent and the Grenadines with respect to each relevant activity undertaken;
- (e) the gross income generated by the relevant activities undertaken during the assessment period ;

- (f) the number of full-time employees or other personnel responsible for carrying on the relevant activity in Saint Vincent and the Grenadines –
  - (i) specifying the experience and, if relevant, qualifications of the employees or other personnel;
  - (ii) demonstrating that the employees or other personnel were physically present in Saint Vincent and the Grenadines while carrying on the relevant activity in Saint Vincent and the Grenadines ;
  - (iii) if the activity was outsourced, demonstrating how section 8(4) was complied with;
- (g) the amount and type of operating expenditure in Saint Vincent and the Grenadines in respect of the relevant activity;
- (h) the amount and type of assets utilised for the relevant activity;
- (i) the location of the place of business or the physical assets utilised for the relevant activity;
- (j) the physical assets or physical presence in Saint Vincent and the Grenadines;
- (j) the prescribed identification information with respect to each director of the entity;
- (k) details of each meeting of the board of directors held in Saint Vincent and the Grenadines and a declaration that, in the case of each meeting, there was a quorum of directors physically present in Saint Vincent and the Grenadines;
- (l) a declaration that section 10(c), (d) and (e) of the Act have been complied with;
- (m) a declaration as to whether or not the entity claims to satisfy the substance requirements during the assessment period;
- (n) in the case of a high-risk IP entity –
  - (i) detailed business plans that demonstrate the commercial rationale for holding the intellectual property assets in Saint Vincent and the Grenadines;
  - (ii) the information relied on to rebut the presumption that the entity does not conduct core income-generating activity in Saint Vincent and the Grenadines and, in particular, to demonstrate the matters specified in section 9(7) of the Act; and

(o) such other information as may be specified in the return.

(3) A pure equity holding entity shall provide such of the information specified in subregulation (2) as is necessary to demonstrate compliance with section 9(5) of the Act.

(4) A resident entity that claims to be tax resident in a country outside Saint Vincent and the Grenadines shall provide the Comptroller with a tax certificate, or equivalent document, issued by the tax authority in the country concerned or, if such document is not available, such other documents that the Comptroller considers demonstrates its tax residency outside Saint Vincent and the Grenadines.

(5) A return shall be submitted to the Comptroller with respect to each assessment period no later than four months after the last day of the assessment period.

Prescribed  
identification  
information

**5.** The prescribed identification information with respect to –

(a) an individual, is the individual's –

(i) full legal name and any former names;

(ii) nationality;

(iii) usual residential address;

(b) an entity, is –

(i) the entity's legal name and any former names;

(ii) the address of the entity's principal place of business or principal office;

(iii) if applicable, the address of the entity's registered office;

(iv) the legal form of the entity, the country in which the entity is constituted and the law by which the person is governed; and

(v) if applicable, the entity's registration number;

(c) the Government, is the responsible Ministry or Department and the contact telephone number;

(d) a local authority, is the name of the local authority, the responsible Department and a telephone number.

Exchange of  
information

**6.** For the purposes of section 22(1), 22(2) and 23 (2) of the Act, the Comptroller shall provide such information as the Comptroller considers is relevant to the matters to be disclosed to the relevant Competent Authority.

Publication of  
approved form

**7.** For the purposes of section 29(2) of the Act, the Comptroller publishes an approved form in the prescribed manner by—

- (a) publishing the form on the Government's website; and
- (b) publishing the form in the *Gazette*.