

CAYMAN ISLANDS



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TAX INFORMATION AUTHORITY LAW

(2013 Revision)

Law 1 of 2005 consolidated with Law 20 of 2008 and with the Tax Information Authority (Scheduled Countries) Order, 2009, the Tax Information Authority (Scheduled Countries) (No.2) Order, 2009, the Tax Information Authority (Scheduled Countries) (No. 3) Order, 2009 and 11 of 2012.

Revised under the authority of the Law Revision Law (1999 Revision).

Originally enacted -

Law 1 of 2005-11th February, 2005
Law 20 of 2008-18th December, 2008
Law 11 of 2012-29th August, 2012.

Originally made-

Order 2009-17th March, 2009
Order (No. 2) 2009-24th March, 2009
Order (No. 3) 2009-27th March, 2009.

Consolidated and revised this 31st day of July, 2013.

Note (not forming part of the Law): This revision replaces the 2009 Revision which should now be discarded.

TAX INFORMATION AUTHORITY LAW

(2013 Revision)

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TAX INFORMATION AUTHORITY LAW

(2013 Revision)

PART I - Introductory

1. This Law may be cited as the Tax Information Authority Law (2013 Revision). Short title

2. (1) In this Law -

Definitions and
interpretation

“Authority” means the Tax Information Authority designated under section 4;

“electronic” means relating to technology having electrical, magnetic, optical, electromagnetic, or similar capabilities, whether digital, analogue or otherwise;

“electronic record” means a record processed and maintained by electronic means;

“Governor” means the Governor in Cabinet;

“information” means any fact, statement, document or record in whatever form; .and includes -

- (a) any fact, statement, document or record held by banks, other financial institutions, or any persons, including nominees and trustees, acting in an agency or fiduciary capacity; and
- (b) any fact, statement, document or record regarding the beneficial ownership of companies, partnerships and other persons, including -
 - (i) in the case of collective investment funds, information on shares, units and other interests; and
 - (ii) in the case of trusts, information on settlors, trustees and beneficiaries;

“Judge” means the Chief Justice acting alone and in an administrative capacity, or any other judge of the Grand Court so acting and designated under subsection (3);

“Party” means a party to a scheduled Agreement;

“proceedings” means civil or criminal proceedings;

“request” means a request made by one of the Parties to the other Party, under a scheduled Agreement or a request made by a scheduled competent authority under Part IV;

“requesting Party” means a Party making a request and includes a scheduled country, as the context may require;

“scheduled Agreement” means an agreement for the provision of information in taxation matters, being an agreement which has legal effect in the Islands and which is more particularly set out in a relevant Schedule to this Law;

“scheduled competent authority” means a competent authority specified in a schedule to this Law under section 3(6)(a)(ii);

“scheduled Country” means a country specified in a Schedule to this Law under section 3(6)(a)(i); and

“taxation matters” includes matters relating to the collection, calculation or assessment of a tax referred to in a scheduled Agreement or specified in a Schedule to this Law under section 3(6)(a)(iii) or matters incidental thereto.

Schedule 1

(2) In the Agreement set out in Schedule 1, any reference to the Cayman Tax Co-operation Authority shall be construed as a reference to the Tax Information Authority designated under section 4.

(3) The Chief Justice may, in writing, designate any judge of the Grand Court to act on his behalf under this Law.

Implementation

3. (1) This Law shall apply for the purpose of -

- (a) giving effect to the terms of a scheduled Agreement for the provision of information in taxation matters; and
- (b) for the purpose of the provision of information in taxation matters on request to a scheduled Country under Part IV,

including for the purposes of any proceedings taken by Parties or scheduled Countries, as the case may be, or by any persons acting on their behalf, connected with, arising from, related to, or resulting from taxation matters.

(2) Nothing in this Law shall require the provision of information under a scheduled Agreement, or under Part IV, in relation to a taxation matter that arose prior to the date of commencement of this Law, except where the terms of a scheduled Agreement otherwise so provide.

(3) A scheduled Agreement shall, for such period as is specified in the Agreement, have legal effect in the Islands.

(4) *Repealed by section 3 of Law 11 of 2012.*

(5) The Governor may by order subject to affirmative resolution -

- (a) add a Schedule to this Law for the purpose of setting out and giving effect to an agreement for the provision of information in taxation matters; or
- (b) amend, revoke or replace any such Schedule.

- (6) The Governor may by order -
 - (a) add a Schedule to this Law for the purpose of specifying -
 - (i) the countries that are entitled to make requests for information under Part IV;
 - (ii) the competent authority of each such country;
 - (iii) the taxation matters to which the requests of each such country may relate;
 - (iv) the operative dates of this Law in relation to each such country; and
 - (v) the scope of assistance that may be offered to each such country; or
 - (b) amend, revoke or replace any such Schedule.

PART II - Tax Information Authority

4. The Financial Secretary is hereby designated as the Tax Information Authority for the purposes of this Law and any scheduled Agreement and in relation to any scheduled Country, and the Authority shall exercise its functions under this Law and under any scheduled Agreement and in relation to any scheduled Country acting alone or through a person designated by the Authority to act on its behalf, and shall be deemed to act in an administrative capacity.

Tax Information Authority

5. (1) Subject to this Law, the Authority has power to do all things necessary or convenient to be done for or in connection with the performance of its functions under this or any other law or any scheduled Agreement and in relation to any scheduled Country.

Functions of the Authority

(2) Without prejudice to subsection (1), the principal functions of the Authority include -

- (a) subject to sections 8, 22 and 24, executing requests, including but not limited to providing assistance in relation to -
 - (i) taking the testimony or statement of any person;
 - (ii) providing information and articles of evidence;
 - (iii) serving documents; and
 - (iv) executing searches and seizures;
- (b) ensuring compliance with the scheduled Agreements and with Part IV;
- (c) advising the Governor on matters relating to any proposal or agreement for the provision of information in tax matters, any matter touching upon or relating thereto, and any other related matter at the request of the Governor;

- (d) making determinations under the terms of any scheduled Agreement or Part IV as to any costs and the apportionment of such costs relating to or arising from any request;
- (e) entering into agreements with competent authorities under scheduled Agreements on matters relating to the operation thereof or issuing operating procedures to scheduled competent authorities; and
- (f) performing such other functions as may be prescribed under this or any other law.

Procedures for public policy determination

6. (1) Without prejudice to section 5, the Authority may, in its discretion or shall where in its opinion there are issues of public policy, notify the Attorney General of any request received by the Authority, with particulars thereof; and the Attorney General shall be entitled, in a manner analogous to *amicus curiae*, to appear or to take part in any proceedings in the Islands, whether judicial or administrative, arising directly or indirectly from a request received by the Authority.

(2) The Authority shall deny a request, in accordance with the relevant provisions of a scheduled Agreement or, in the case of a request from a scheduled Country, in accordance with Part IV, where the Attorney General has issued a certificate to the effect that the execution of the request is contrary to the public policy of the Islands.

PART III - Execution of Requests

Procedures for the execution of a request

7. (1) Upon receipt of a request, and subject to sections 6(2) and 17(1), the Authority shall determine whether the request is in compliance with the relevant scheduled Agreement or Part IV, as the case may be, and, if it is determined that there is compliance, the Authority shall execute the request in accordance with, but subject to, the provisions of the relevant scheduled Agreement or Part IV, as the case may be, and this Law.

(2) The Authority may request such additional information from the requesting Party as may be necessary to assist the Authority in executing the request.

(3) A certificate given by the Authority that a request is in compliance with the relevant scheduled Agreement or Part IV, as the case may be, shall be taken into account by the Judge pursuant to an application under section 8(4)(a).

(4) Notwithstanding any other law, if the execution of any request requires the service of any document or order or the seizure of any article in pursuance of any order or directions by a Judge or the Grand Court, any constable of the rank

of Inspector or above, if so required by the Judge or the Grand Court, shall assist in such service or seizure.

8. (1) Where, under a request, any person is required to testify, the Authority shall apply to a Judge for the Judge to receive such testimony as appears to him to be appropriate for the purpose of giving effect to the request, and such testimony shall be provided to the competent authority of the requesting Party.

Powers of Judge to compel witness or for production of evidence

(2) The Judge may, in pursuance of an application under subsection (1), issue a subpoena, take evidence under oath and exercise any other power which the Grand Court may exercise for the purpose of compelling testimony.

(3) A person shall not be compelled in any proceedings under this section to give evidence which he could not be compelled to give in proceedings in the Islands.

(4) Where, under a request, the Authority considers it necessary to obtain specified information or information of a specified description from any person the Authority shall -

- (a) in the case of information required for proceedings in the territory of the requesting Party or related investigations, apply to a Judge for an order to produce such information; or
- (b) in the case other than that referred to in paragraph (a), issue a notice in writing requiring the production of such information as may be specified in the notice; and such notice may require the information –
 - (i) to be provided within a specified time;
 - (ii) to be provided in such form as the Authority may require; and
 - (iii) to be verified or authenticated in such manner as the Authority may require.

(5) Where information is produced under subsection (4)(b)-

- (a) the Authority may take copies or extracts of any information; and
- (b) where a person claims a lien on a document, the production is without prejudice to his lien.

(6) An order under subsection (7) or a notice under subsection (4)(b) -

- (a) shall not confer any right to production of, or access to, items subject to legal privilege; and
- (b) shall have effect notwithstanding any obligation as to confidentiality or other restriction upon the disclosure of information whether imposed by the Confidential Relationships

2009 Revision

(Preservation) Law (2009 Revision), any other law or the common law.

(7) If, on an application under subsection (4)(a), the Judge is satisfied that the conditions in subsection (9) are fulfilled, he may make an order that the person who appears to him to be in possession or control of the information to which the application relates shall-

- (a) produce it to a constable to take away; or
- (b) give a constable access to it,

within such period as the order may specify.

(8) The period to be specified in an order under subsection (7) shall be fourteen days, unless it appears to the Judge that a longer or shorter period would be appropriate in the particular circumstances of the application.

(9) The conditions referred to in subsection (7) are that the Judge is satisfied that -

- (a) the Authority has certified the request in accordance with section 7(3);
- (b) the information to which the request relates is under the possession or control of a person in the Islands;
- (c) the information to which the request relates does not include items subject to legal privilege or items subject to protection as secret, pursuant to the terms of a scheduled Agreement or Part IV, as the case may be;
- (d) the provisions of section 17(1) have been complied with; and
- (e) pursuant to the terms of the relevant scheduled Agreement or Part IV, as the case may be, there are no reasonable grounds for not granting the request.

(10) Where the Judge makes an order under subsection (7)(b) in relation to information held on any premises he may, on the application of the Authority, order any person who appears to him to be entitled to grant entry to the premises to allow a constable to enter the premises to obtain access to the information.

(11) The Chief Justice may make rules governing the procedure in relation to-

- (a) applications for the grant, discharge and variation of orders under subsection (7); and
- (b) proceedings relating to such orders.

(12) Where the information to which an order under subsection (7) or a notice under subsection (4)(b) relates consists of information maintained as an electronic record, such information shall be produced in a form in which it can be

taken away and in which it is visible and legible or in a form in which it is visible and legible, as the case may be.

(13) Where, pursuant to a request concerning criminal proceedings or investigations, an order under subsection (7) has been made or has been applied for, and has not been refused, or a warrant under section 24(3) has been issued, a person who, knowing or suspecting that a request has been made, or that an investigation into any matter to which a request relates is taking place, makes any disclosure which is likely to prejudice the proceedings or the investigation to which the request may relate, commits an offence and is liable on summary conviction to a fine of ten thousand dollars and to imprisonment for five years.

(14) In proceedings against a person for an offence under subsection (13), it is a defence to prove-

- (a) that he did not know or believe that the disclosure was likely to prejudice the request or investigation; or
- (b) that he had lawful authority or reasonable excuse for making the disclosure.

(15) Any documents or other written information obtained under an order by virtue of subsection (7) shall be brought immediately to the Authority to be dealt with according to this Law.

(16) A person required to testify or to produce information under subsection (7) shall have the right to be represented by an attorney-at-law when he does so.

PART IV - Requests for Information from Scheduled Countries

9. (1) Requests may be made under this Part by the relevant scheduled competent authority for the provision of information relating to the administration and enforcement of the laws of a scheduled Country concerning the taxes specified in a Schedule to this Law pursuant to section 3(6)(a)(iii) in relation to that Country, including information that may be relevant -

Scope of assistance

- (a) to the determination, assessment, verification, enforcement or collection of tax claims with respect to persons subject to such taxes, or
- (b) to the investigation or prosecution of criminal tax matters in relation to such persons.

(2) Information shall be provided in accordance with this Law -

- (a) notwithstanding that the Islands may not need such information for its own tax purposes; and

- (b) without regard to whether the conduct being investigated would constitute a crime under the laws of the Islands if it had occurred in the Islands.

(3) The assistance which may be provided by the Authority to a scheduled competent authority shall be of the types specified in sections 5(2)(a) and 22.

Jurisdiction

10. Where the information which is the subject of a request for information received from a scheduled competent authority is present within the Islands, or in the possession or control of a person subject to the jurisdiction of the Islands, such information shall be provided by the Authority in accordance with this Law without regard to whether the person to whom the information relates is, or whether the information is held by, a resident or national of the Islands or the scheduled Country.

Provision of information

11. (1) The Authority shall in accordance with this Law provide, upon request by a scheduled competent authority made under this Part, information for the purposes referred to in section 9(1).

(2) If specifically requested by the scheduled competent authority, the Authority shall provide information, in accordance with the laws of the Islands, in the form of depositions of witnesses and authenticated copies of original records.

(3) In making a request for information, the scheduled competent authority making the request shall provide the Authority with -

- (a) the identity of the taxpayer under examination or investigation;
- (b) the nature of the information requested;
- (c) the tax purpose for which the information is sought;
- (d) reasonable grounds for believing that the information requested is present in the Islands or is in the possession or control of a person subject to the jurisdiction of the Islands;
- (e) to the extent known, the name and address of any person believed to be in possession or control of the information requested;
- (f) an undertaking that all information provided in relation to a request will be kept confidential to the extent required by section 13;
- (g) a declaration that the request conforms to the law and administrative practice of the scheduled Country making the request, and that the information requested would be obtainable by that scheduled Country under its laws in similar circumstances for its own tax purposes; and
- (h) an undertaking that there will be compliance with sections 13(3) and 21.

(4) If the Authority is unable to provide the information requested within a reasonable period relative to the nature of the request, or if obstacles are encountered in furnishing the information, or if the Authority declines the request or is otherwise unable to provide the information, it shall immediately inform the scheduled competent authority of the reasons therefor.

12. (1) The Authority may decline to assist -

Declining requests

- (a) where the request is not made in conformity with this Part;
- (b) where the scheduled Country has not pursued all means available in its own territory, except where recourse to such means would give rise to disproportionate difficulty; or
- (c) where the disclosure of the information requested would be contrary to the public policy of the Islands.

(2) The provision of assistance in accordance with this Part shall not impose any obligation on the Authority to provide items subject to legal privilege, nor any trade, business, industrial, commercial or professional secret or trade process, and information falling within paragraph (a) or (b) of the definition of the term “information” in section 2 shall not by reason of that fact alone constitute such a secret or process.

(3) A request for information shall not be refused on the ground that the tax liability giving rise to the request is disputed by the taxpayer.

(4) The Authority shall not be required to obtain and provide information which the scheduled Country making the request would be unable to obtain in similar circumstances under its own laws for the purpose of the enforcement of its own tax laws.

13. (1) Subject to subsection (2) and section 17, all information provided and received by the Authority and any scheduled competent authority in relation to a request made under this Part shall be kept confidential.

Confidentiality

(2) Information provided or received by the Authority or a scheduled competent authority shall be disclosed only to persons or authorities (including judicial, administrative, and governmental oversight authorities) officially concerned with the purposes specified in section 9(1), and used by such persons or authorities only for such purposes or for oversight purposes, including the determination of any appeal, and, for these purposes, information may be disclosed in public court proceedings or in judicial proceedings.

(3) Information provided to a scheduled Country shall not be disclosed to any third party.

Costs 14. A scheduled Country shall reimburse the Authority for direct out of pocket costs of executing a request (including direct out of pocket costs of any litigation that may arise directly relating to a request), on a basis agreed between the Authority and the relevant scheduled competent authority.

Consultation procedure 15. In the event that executing a request or requests occasions undue difficulty for the Authority, either as a result of the number or the complexity of requests, the Authority shall consult with the relevant scheduled competent authority with a view to resolving the difficulty.

PART V - General

Authentication of official documents 16. Any person may be authorised by the Financial Secretary for the purpose of the authentication of any official documents or records of the Islands.

Notification 17. (1) Subject to subsection (2), an individual is the subject of a request for information solely in relation to a matter which is not a criminal matter or an alleged criminal matter, shall if his whereabouts or address is made known to the Authority, be served with a notice by the Authority advising of the existence of a request specifying that individual, the jurisdiction making the request and the general nature of the information sought; and any individual so notified may within fifteen days from the date of receipt of the notice, make a written submission to the Authority specifying any grounds which he wishes the Authority to consider in making its determination as to whether or not the request is in compliance with the provisions of the relevant scheduled Agreement or Part IV, as the case may be, including any assertions that the information requested is subject to legal privilege.

(2) The Authority shall consider any written submission made in compliance with subsection (1), but shall not be obliged to permit or consider any oral submission by or on behalf of any individual who is the subject of a request for information.

(3) Save as expressly provided in this Law, the Authority shall hold all information received as confidential, and the proceedings and deliberations of the Authority shall accordingly be closed to all persons not specifically authorised by the Authority or by this Law to be present at such proceedings or deliberations.

(4) Nothing in this Law shall require the Authority to search for or conduct enquiries into the address or whereabouts of any individual who is the subject of a request in order to serve a notice to that person pursuant to subsection (1).

(5) The requirement in subsection (1) for the Authority to give notice shall not apply where a requesting Party makes a request in urgent cases or in

cases where notification is likely to undermine the success of the investigation in the jurisdiction of the requesting party.

18. A person who divulges any confidential information or gives any testimony in conformity with an order or notice issued pursuant to a request shall be deemed not to commit any offence under the Confidential Relationships (Preservation) Law (2009 Revision), or under any other law for the time being in force in the Islands, by reason only of such disclosure or the giving of such testimony; and such disclosure or testimony shall be deemed not to be a breach of any confidential relationship between that person and any other person, and no civil claim or action whatsoever shall lie against the person making such disclosure or giving such testimony or against such person's principal or employer by reason of such disclosure or testimony.

Protection of persons disclosing confidential information

2009 Revision

19. Section 4 of the Confidential Relationships (Preservation) Law (2009 Revision) shall be deemed not to apply to confidential information given by any person in conformity with an order or notice issued in pursuance of a request under this Law.

Restriction on application of Confidential Relationships (Preservation) Law (2009 Revision)

20. (1) Without prejudice to section 8(13), if so instructed by the Authority, the particulars of and all matters relating to a request shall be treated as confidential, and no person who is notified of a request, or is required to take any action, or produce any document or supply any information in response to or in relation to any matter to which a request relates, shall disclose the fact of the receipt of such request or any of the particulars required or documents produced or information supplied to any other person, except that person's attorney-at-law and such other persons as the Authority may authorise, for such period as he may be notified by the Authority.

Confidentially with regard to a request

(1A) Subject to section 17, all information provided and received by the Authority and any scheduled competent authority in relation to a request made under a scheduled Agreement shall be kept confidential.

(2) This section shall be binding on the attorney-at-law of any person to whom subsection (1) applies as if he were that person.

21. (1) The requesting Party shall not, without the prior written consent of the Authority, transmit or use information or evidence provided under this Law for purposes, investigations or proceedings other than those within the scope of a scheduled Agreement or Part IV.

Restriction on use of information

(2) Before the Authority gives consent under subsection (1) in relation to testimony provided or an order issued under section 8, the Authority shall apply to a Judge for directions.

Interviews and
examinations with
consent

22. (1) Where, under the terms of a scheduled Agreement or Part IV, as the case may be, the competent authority of a requesting Party requests permission for its representative to enter the Islands for the purposes of interviewing and examining the records of a specified person in the Islands and the person concerned notifies the Authority in writing that he consents to the interview and examination, the representative may conduct such interview and examination, at such time and place as are agreed upon in writing by the Authority and the person concerned.

(2) In conducting an interview and examination under subsection (1), a representative may -

- (a) take statements from the specified person; and
- (b) with the consent of the specified person, make copies of, or take extracts from, any record.

(3) A representative shall not have the power-

- (a) to compel a specified person to answer any question;
- (b) to compel a specified person to remain in any place for the purpose of an interview;
- (c) to compel a specified person to produce any information or thing;
- (d) to enter and search premises without the consent of the owner or occupier of the premises; or
- (e) to take information or things without the consent of the specified person.

(4) A person who consents to an interview and examination shall have the right to be advised by his attorney-at-law during the course thereof.

(5) A statement made to a representative under this section shall not, in any proceedings, be used in evidence against the person making the statement.

(6) In this section-

“specified person” means a person who is subject to-

- (a) a tax of the jurisdiction of a requesting Party that is covered in the relevant scheduled Agreement; or
- (b) a tax of a scheduled Country that is specified in a Schedule to this Law under section 3(6)(a)(iii) in relation to that Country.

Service of notices and
documents

23. (1) For the purposes of this Law and any scheduled Agreement, the service of any document shall be sufficient if delivered by hand or posted by registered post to the registered or other office of the addressee or to his last known address.

(2) Affidavit testimony of delivery of the notice or document by hand or supporting the registration certificate shall be deemed sufficient proof of such service.

24. (1) A person who, having been required under this Law to produce any information which is in his possession or under his control - Enforcement

- (a) without lawful excuse fails so to do, within such time as may be specified by a Judge by order, or by the Authority by notice; or
- (b) alters, destroys, mutilates, defaces, hides or removes any information,

commits an offence and is liable on summary conviction to a fine of ten thousand dollars and to imprisonment for two years.

(2) A person who, contrary to section 20, informs any person, other than his attorney-at-law, of the fact of the issue of a request or of any communication relevant to the matter to which the request relates, commits an offence and is liable on summary conviction to a fine of one thousand dollars and to imprisonment for six months.

(3) Where pursuant to a request, the Authority considers it necessary to enter and search any premises, the Authority shall apply to the Grand Court for the issue of a search warrant for specified premises to search for and seize specified information or information of a specified description.

(4) On application made under subsection (3), the Grand Court may issue a warrant authorising the search and seizure if it is satisfied that -

- (a) an order made or notice issued under section 8 in relation to information on the premises has not been complied with;
- (b) the request for the purposes of which the application is made might be seriously prejudiced unless a constable could secure immediate access to the information; or
- (c) the conditions in section 8(9) are fulfilled in relation to any information on the premises; and
- (d) it would not be appropriate to make an order under section 8(7) in relation to the material because -
 - (i) it is not practicable to communicate with any person entitled to produce the information;
 - (ii) it is not practicable to communicate with any person entitled to grant access to the information or entitled to grant entry to the premises on which the information is situated; or
 - (iii) the request for the purposes of which the application is made might be seriously prejudiced unless a constable could secure immediate access to the information.

(5) Any information seized under a warrant issued under subsection (4) shall be brought immediately to the Authority to be dealt with according to law.

(6) A person who, when required so to do in accordance with the instructions given by a Judge pursuant to section 8, or any subpoena served upon him, refuses to attend as required or to provide testimony in response to a request, commits an offence and is liable on summary conviction to a fine of five thousand dollars and to imprisonment for one year.

Regulations

25. The Governor may make regulations for carrying the purposes and provisions of this Law into effect including making regulations prescribing the forms to be used for the purposes of this Law.

Immunity

26. Neither the Authority nor any person designated under section 4 to act on his behalf, shall be liable in damages for anything done or omitted in the discharge of their functions under this Law unless it is shown that the act or omission was in bad faith.

SCHEDULE 1

section 3

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, INCLUDING THE GOVERNMENT OF THE CAYMAN ISLANDS, FOR THE EXCHANGE OF INFORMATION RELATING TO TAXES

The Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland, including the Government of the Cayman Islands, (“the parties”), desiring to facilitate the exchange of information relating to taxes, have agreed as follows:

Article 1

Scope of the Agreement

The competent authorities of the parties shall provide assistance through exchange of information relating to the administration and enforcement of the domestic laws of the parties concerning the taxes and the tax matters covered by this Agreement, including information that may be relevant to the determination, assessment, verification, enforcement or collection of tax claims with respect to

persons subject to such taxes, or to the investigation or prosecution of criminal tax evasion in relation to such persons. The territorial scope of this Agreement, in respect of the United Kingdom, is the territory of the Cayman Islands.

Article 2

Jurisdiction

To enable the scope of this Agreement to be implemented, information shall be provided in accordance with this Agreement by the competent authority of the requested party:

- (a) without regard to whether the person to whom the information relates is, or whether the information is held by, a resident or national of a party; and
- (b) provided that the information is present within the territory, or in the possession or control of a person subject to the jurisdiction, of the requested party.

Article 3

Taxes Covered

The taxes covered by this Agreement are federal income taxes; provided that the types of tax covered may be extended by agreement between the parties in the form of an exchange of letters.

Article 4

Definitions

In this Agreement -

“competent authority” means, for the United States of America, the Secretary of the Treasury or his delegate, and for the Cayman Islands, the Cayman Tax Cooperation Authority or a person or authority designated by it;

“person” means a natural person, a company or any other body or group of persons;

“tax” means any tax covered by this Agreement;

“requested party” means the party to this Agreement which is requested to provide or has provided information in response to a request;

“requesting party” means the party to this Agreement submitting a request for or having received information from the requested party;

“information gathering measures” means judicial, regulatory or administrative procedures enabling a requested party to obtain and provide the information requested;

“information” means any fact, statement, document or record in whatever form;

“items subject to legal privilege” means

- (a) communications between a professional legal adviser and his client or any person representing his client made in connection with the giving of legal advice to the client;
- (b) communications between a professional legal adviser and his client or any person representing his client or between such an adviser or his client or any such representative and any other person made in connection with or in contemplation of legal proceedings and for the purposes of such proceedings; and
- (c) items enclosed with or referred to in such communications and made -
 - (i) in connection with the giving of legal advice; or
 - (ii) in connection with or in contemplation of legal proceedings and for the purposes of such proceedings, when they are in the possession of a person who is entitled to possession of them.

Items held with the intention of furthering a criminal purpose are not subject to legal privilege.

“criminal tax evasion” means willfully, with dishonest intent to defraud the public revenue, evading or attempting to evade any tax liability where an affirmative act constituting an evasion or attempted evasion has occurred. The tax liability must be of a significant or substantial amount, either as an absolute amount or in relation to an annual tax liability, and the conduct involved must constitute a systematic effort or pattern of activity designed or tending to conceal pertinent facts from or provide inaccurate facts to the tax authorities of either party.

Article 5

Exchange of Information Upon Request

1. The competent authority of the requested party shall provide upon request by the requesting party information for the purposes referred to in Article 1. Such information shall be exchanged without regard to whether the conduct being investigated would constitute a crime under the laws of the requested party if it had occurred in the territory of the requested party.

2. If the information in the possession of the competent authority of the requested party is not sufficient to enable it to comply with the request for

information, the requested party shall take all relevant information gathering measures to provide the requesting party with the information requested, notwithstanding that the requested party may not, at that time, need such information for its own tax purposes.

3. If specifically requested by the competent authority of the requesting party, the competent authority of the requested party shall provide information under this Article, to the extent allowable under its domestic laws, in the form of depositions of witnesses and authenticated copies of original records.

4. Each party shall ensure that its competent authority, for the purposes of this Agreement, has the authority to obtain and provide upon request

- (a) information held by banks, other financial institutions, and any person, including nominees and trustees, acting in an agency or fiduciary capacity;
- (b) information regarding the beneficial ownership of companies, partnerships and other persons, including in the case of collective investment funds, information on shares, units and other interests; and in the case of trusts, information on settlors, trustees and beneficiaries.

5. The competent authority of the requesting party shall provide the following information to the competent authority of the requested party when making a request for information under this Agreement in order to demonstrate the relevance of the information sought to the request:

- (a) the identity of the taxpayer under examination or investigation;
- (b) the nature of the information requested;
- (c) the tax purpose for which the information is sought;
- (d) reasonable grounds for believing that the information requested is present in the territory of the requested party or is in the possession or control of a person subject to the jurisdiction of the requested party;
- (e) to the extent known, the name and address of any person believed to be in possession or control of the information requested;
- (f) a declaration that the request conforms to the law and administrative practice of the requesting party and would be obtainable by the requesting party under its laws in similar circumstances, both for its own tax purposes and in response to a valid request from the requested party under this Agreement.

6. The competent authority of the requested party shall forward the requested information as promptly as possible to the competent authority of the requesting party. To ensure a prompt response, the competent authority of the requested party shall:

- (a) confirm receipt of a request in writing to the competent authority of the requesting party, and shall notify the competent authority of the requesting party of any deficiencies in the request within 60 days of receipt of the request;
- (b) if the competent authority of the requested party has been unable to obtain and provide the information requested within a reasonable period relative to the nature of the request, or if obstacles are encountered in furnishing the information, or if the competent authority of the requested party refuses to provide the information, it shall immediately inform the competent authority of the requesting party to explain the reasons for its inability or the obstacles or its refusal.

Article 6

Tax Examinations (or Investigations) Abroad

1. The requested party may, to the extent permitted under its domestic laws, allow representatives of the competent authority of the requesting party to enter the territory of the requested party in connection with a request to interview persons and examine records with the prior written consent of the persons concerned. The competent authority of the requesting party shall notify the competent authority of the requested party of the time and place of the meeting with the persons concerned.
2. At the request of the competent authority of the requesting party, the competent authority of the requested party may permit representatives of the competent authority of the requesting party to attend a tax examination in the territory of the requested party.
3. If the request referred to in paragraph 2 is granted, the competent authority of the requested party conducting the examination shall, as soon as possible, notify the competent authority of the requesting party of the time and place of the examination, the authority or person authorised to carry out the examination and the procedures and conditions required by the requested party for the conduct of the examination. All decisions regarding the conduct of the examination shall be made by the requested party conducting the examination.

Article 7

Possibility of Declining a Request

1. The competent authority of the requested party may decline to assist

- (a) where the request is not made in conformity with this Agreement;
 - (b) where the requesting party has not pursued all means available in its own territory, except where recourse to such means would give rise to disproportionate difficulty; or
 - (c) where the disclosure of the information requested would be contrary to the public policy of the requested party.
2. This Agreement shall not impose upon a party any obligation to provide items subject to legal privilege, nor any trade, business, industrial, commercial or professional secret or trade process. Information described in Article 5(4) shall not by reason of that fact alone constitute such a secret or process.
3. A request for information shall not be refused on the ground that the tax liability giving rise to the request is disputed by the taxpayer.
4. The requested party shall not be required to obtain and provide information which the requesting party would be unable to obtain in similar circumstances under its own laws for the purpose of the enforcement of its own tax laws or in response to a valid request from the requested party under this Agreement.

Article 8

Confidentiality

1. All information provided and received by the competent authorities of the parties shall be kept confidential.
2. Information provided to the competent authority of a requesting party may not be used for any purpose other than for the purposes stated in Article 1, without the prior consent of the requested party.
3. Information provided shall be disclosed only to persons or authorities (including judicial, administrative, and Congressional oversight authorities) officially concerned with the purposes specified in Article 1, and used by such persons or authorities only for such purposes or for oversight purposes, including the determination of any appeal. For these purposes, information may be disclosed in public court proceedings or in judicial proceedings.
4. Information provided to a requesting party under this Agreement may not be disclosed to any third party.

Article 9

Safeguards

Nothing in this Agreement shall affect the rights and safeguards secured to persons by the laws or administrative practice of the requested party, provided and to the extent that these are not so burdensome or time-consuming as to act as impediments to access to the information.

Article 10

Administration Costs or Difficulties

1. The requesting party shall reimburse the requested party for direct out of pocket costs of processing each request (including direct out of pocket costs of litigation directly relating to such request), as agreed by the parties.
2. In the event that compliance with the obligations under this Agreement occasions undue difficulty for either party, either as a result of the number or complexity of requests, the respective competent authorities shall consult with a view to resolving the difficulty under Article 11.

Article 11

Mutual Agreement Procedure

Where difficulties or doubts arise between the parties regarding the implementation or interpretation of this Agreement, the respective competent authorities shall use their best efforts to resolve the matter by mutual agreement.

Article 12

Entry into Force

1. This Agreement shall enter into force when each party has notified the other of the completion of its necessary internal procedures for entry into force. Upon entry into force, it shall have effect for criminal tax evasion beginning on 1 January 2004, and with respect to all other matters covered in Article 1 beginning on 1 January 2006.
2. Upon entry into force, the provisions of the Agreement shall have effect with respect to criminal tax evasion for taxable periods commencing from 2004,

and shall have effect with respect to all other matters for taxable periods commencing from 2006.

Article 13

Termination

1. This Agreement shall remain in force until terminated by either party.
2. Either party may terminate this Agreement by giving notice of termination in writing. Such termination shall become effective on the first day of the month following the expiration of a period of three months after the date of receipt of notice of termination by the other party.
3. A party which terminates this Agreement shall remain bound by the provisions of Article 8 with respect to any information obtained under this Agreement.

IN WITNESS WHEREOF, the undersigned, being duly authorised in that behalf by the respective parties, have signed this Agreement.

Done at Washington, in duplicate, this twenty-seventh day of November 2001.

For the Government of
the United States of
America:

PAUL H. O'NEILL

For the Government of
the United Kingdom of
Great Britain and Northern Ireland:

CHRISTOPHER MEYER

For the Government of the Cayman
Islands:

PETER J. SMITH

SCHEDULE 2

SCHEDULE COUNTRIES SPECIFYING THE COMPETENT AUTHORITY, THE RELEVANT TAX MATTERS, THE OPERATIVE DATES AND THE SCOPE OF ASSISTANCE AVAILABLE TO EACH SUCH COUNTRY

Country	Competent Authority	Taxation matters	Operative date	Scope of assistance
Czech Republic	Ministry of Finance	Taxes imposed by the Government of the Czech Republic on income, profit and capital, and such other taxes as the competent authorities may agree	Taxable periods beginning on or after 1 May, 2009 or, where there is no taxable period, for all charges to tax arising on or after 1 May, 2009	Civil and administrative tax matters Criminal tax matters
Federal Republic of Germany	Federal Central Tax Office	Taxes imposed by the Government of the Federal Republic of Germany on income, profit and capital, and such other taxes as the competent authorities may agree	Taxable periods beginning on or after 1 May, 2009 or, where there is no taxable period, for all charges to tax arising on or after 1 May, 2009	Civil and administrative tax matters Criminal tax matters
Grand Duchy of Luxembourg	Direction des Contributions Directes	Taxes imposed by the Government of the Grand Duchy of	Taxable periods beginning on or after 1 May, 2009 or, where	Civil and administrative tax matters Criminal tax matters

		Luxembourg on income, profit and capital, and such other taxes as the competent authorities may agree	there is no taxable period, for all charges to tax arising on or after 1 May, 2009	
Ireland	Revenue Commissioners	Taxes imposed by the Government of Ireland on income, profit and capital, and such other taxes as the competent authorities may agree	Taxable periods beginning on or after 1 May, 2009 or, where there is no taxable period, for all charges to tax arising on or after 1 May, 2009	Civil and administrative tax matters Criminal tax matters
Japan	National Tax Agency	Taxes imposed by the Government of Japan on income, profit and capital, and such other taxes as the competent authorities may agree	Taxable periods beginning on or after 1 May, 2009 or, where there is no taxable period, for all charges to tax arising on or after 1 May, 2009	Civil and administrative tax matters Criminal tax matters
Kingdom of Belgium	Administration de la fiscalité des Entreprises et des revenus (AFER)	Taxes imposed by the Government of the Kingdom of Belgium on	Taxable periods beginning on or after 1 May, 2009 or, where there is no	Civil and administrative tax matters Criminal tax matters

		income, profit and capital, and such other taxes as the competent authorities may agree	taxable period, for all charges to tax arising on or after 1 May, 2009	
Kingdom of the Netherlands	Ministry of Finance	Taxes imposed by the Government of the Kingdom of the Netherlands on income, profit and capital, and such other taxes as the competent authorities may agree	Taxable periods beginning on or after 1 May, 2009 or, where there is no taxable period, for all charges to tax arising on or after 1 May, 2009	Civil and administrative tax matters Criminal tax matters
Republic of Austria	Federal Ministry of Finance	Taxes imposed by the Government of the Republic of Austria on income, profit and capital, and such other taxes as the competent authorities may agree	Taxable periods beginning on or after 1 May, 2009 or, where there is no taxable period, for all charges to tax arising on or after 1 May, 2009	Civil and administrative tax matters Criminal tax matters
Republic of South Africa	Commissioner for the South African Revenue Service	Taxes imposed by the Government of the	Taxable periods beginning on or after 1 May, 2009	Civil and administrative tax matters Criminal tax

		Republic of South Africa on income, profit and capital, and such other taxes as the competent authorities may agree	or, where there is no taxable period, for all charges to tax arising on or after 1 May, 2009	matters”.
Slovak Republic	Tax Directorate of the Slovak Republic	Taxes imposed by the Government of the Slovak Republic on income, profit and capital, and such other taxes as the competent authorities may agree	Taxable periods beginning on or after 1 May, 2009 or, where there is no taxable period, for all charges to tax arising on or after 1 May, 2009	Civil and administrative tax matters Criminal tax matters
Swiss Confederation	Federal Tax Administration	Taxes imposed by the Government of the Swiss Confederation on income, profit and capital, and such other taxes as the competent authorities may agree	Taxable periods beginning on or after 1 May, 2009 or, where there is no taxable period, for all charges to tax arising on or after 1 May, 2009.	Civil and administrative tax matters Criminal tax matters
United Kingdom of Great Britain and Northern Ireland	HM Revenue and Customs	Taxes imposed by the Government of the United	Taxable periods beginning on or after 1 May, 2009	Civil and administrative tax matters Criminal tax

		Kingdom of Great Britain and Northern Ireland on income, profit and capital, and such other taxes as the competent authorities may agree	or, where there is no taxable period, for all charges to tax arising on or after 1 May, 2009	matters
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Publication in consolidated and revised form authorised by the Governor in Cabinet this 17th day of September, 2013.

Carmena Watler
Acting Clerk of Cabinet

Note: Regulation 2 of the Tax Information Authority (Scheduled Countries) (Nos. 1, 2 and 3) Orders, 2009 specifies that-

- (a) for the purpose of section 3(6)(a)(i) of the Law, each of the countries specified in the first column of Schedule 2 is a country that is entitled to make requests for information pursuant to Part IV of the Law;
- (b) for the purpose of section 3(6)(a)(ii) of the Law, the competent authority specified in the second column of Schedule 2 opposite the name of a scheduled Country is the competent authority of each such Country;
- (c) for the purpose of section 3(6)(a)(iii) of the Law, the taxation matters specified in the third column of Schedule 2 opposite the name of a scheduled Country are the taxation matters to which the requests of each such Country may relate;
- (d) for the purpose of section 3(6)(a)(iv) of the Law, the operative dates specified in the fourth column of Schedule 2 opposite the name of a scheduled Country are the operative dates of the Law in relation to each such Country for the taxable periods specified in that column and for all charges to tax which arise as specified in that column; and

- (e) for the purpose of section 3(6)(a)(v) of the Law, the scope of assistance specified in the fifth column of Schedule 2 opposite the name of a scheduled Country is the scope of assistance which is available to each such Country.

(Price \$ 6.40)