

11/17/2014

***Tax havens: amendments and a  
new scenario in Argentina***  
**Walter César Keiniger**

# **Tax havens - jurisdictions with low or null taxation**

Are they “punished” under Argentine law?

– Corporate

- Foreign exchange
- Anti-money laundering
- Tax

## Tax disadvantages

- Transfer pricing
- Presumption of non-reported income
- CFC rules
- Withholding rate on cross-border interest payments
- Cash method for deducting expenses



**New scenario: agreements to exchange information  
with tax havens, such as:**

- Aruba
- Bahamas
- Bermuda
- Cayman Islands
- Jersey
- Monaco

Also, Argentina is party to the Convention on Mutual Administrative Assistance in Tax Matters (OECD)



## Definition of tax haven

- Until Decree 589/13 (May 27, 2013): black list
- Decree 589/13:
  - For all purposes of the Income Tax Law and its regulations, tax havens are jurisdictions “*not cooperative*” for tax transparency purposes
  - Jurisdictions are “*cooperative*” for tax transparency purposes if executed:
    - agreement to exchange information, OR
    - agreement to avoid double taxation with broad section on exchange of information AND the exchange is effective
    - also, if negotiations for any of such treaties have been initiated
  - Tax authorities: entitled to publish a list of “*cooperative*” jurisdictions for tax transparency purposes (“*white list*”)



## *“White list”*

- Published on January 8, 2014 (what happens in the middle?)
- Very broad because applies a new standard
- Less stable: can be amended at any time by the tax authorities



Thank you very much!