

**Minutes of the Meeting Practice Group International Taxation  
Hotel Huis Ter Duin, Noordwijk/NL, GGI European Conference,  
April 24<sup>th</sup>, 2008, 2.30 p.m. - 5.30 p.m.**

**Chairman:** Oliver Biernat

**Vicechairmen:** Graham Busch, Ionut Zeche

**Minutes:** Astrid Rechel-Götz

**Participants:**

Luís Baptista	Pontes e L.Baptista	Portugal	lbaptista@pb-sroc.com
Oliver Biernat	Benefitax GmbH	Germany	o.biernat@benefitax.de
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Henry Charles	Citroen Wells	UK	henry.charles@citroenwells.co.uk
Dr. Roberto D'Alessandro	Credaltrust	Malta	rd@advocredal.com
Dr. Sergio Finulli	Bianchi Finulli	Italy	studio@bianchifinulli.it
Niels Fischer	Fischer & Partner	Switzerland	nfi@f-p.ch
Carlos Frühbeck	Ficesa	Spain	fruhbeck@ficesa.es
Samo Krivic	Simic & Partnerji	Slovenia	samo.krivic@simic-partnerji.si
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Joe McCall	Byrne&McCall -	Ireland	jmc@byrnemccall.ie
Regi de Meza	Curan Incorporation Services	NL Antilles	regidemeza@gmail.com
Peter Ormandi	Eurotrust Partners AG	Switzerland	ormandi@eurotrust.net
Sérgio Pontes	Pontes e L.Baptista	Portugal	
Alan Rajah	Lawrence Grant	UK	alan@lawrencegrant.co.uk
Astrid Rechel-Götz	Benefitax GmbH	Germany	a.rechel-goetz@benefitax.de
Ionut Catalin Zeche	Mirus Advisors srl.	Romania	izeche@mirus-group.eu
<b><u>Excused (board meeting):</u></b>			
Marios Eliados	Eliades & Partners	Cyprus	meliades@eliades.eu

**Agenda:**

1. Welcome by the chairman, presentation of new members, update on getting new members in other countries, changes and distribution of the brochure "International Tax Services", presentation of literature in the field of international taxation.
2. Short presentation of participants present and -if essential- on tax news in their country especially with cross-border effects.
3. Update of workshop members list on the GGI homepage, update of the description of our practice group in the GGI intranet, update of the tax information matrix. Formation of a task force. Development of guidelines for intranet display.
4. Regi de Meza: The E-Zone company, also concerning Curacao and the Netherlands Antilles.
5. Graham Busch: The new UK tax laws affecting non-domiciliaries (update since Majorca meeting).
6. Ionut Zeche: Real Estate cross-border tax planning opportunities on capital gains pursuant to direct or indirect alienation of shares into a Romanian SPV.
7. Dr. Sergio Finulli (arriving later): EU Court of Justice decision C-234/01 "Gerritse" related to withholding tax on non residents.
8. GGI Members access to transfer prices databases. Exchange of experience and discussion on possible exchange of information between GGI members.
9. Topics for next meeting, preparation of a task list and allocation to volunteers, others issues from the participants.
10. Closing

**Item 1: Welcome by the chairman, presentation of new members, update on getting new members in other countries, changes and distribution of the brochure “International Tax Services”, presentation of literature in the field of international taxation**

- a) The chairman, Oliver Biernat, opens the meeting and welcomes the participants.
- b) New members and guests of the Practice Group have presented themselves:
  - Reginald de Mesa, Curan Incorporation Services N.V., Netherlands Antilles (considers himself not a tax expert, but management).
  - Samo Krivic; Simic & Partnerji, Ljubljana/Slovenia, tax advisors + legal consulting, international clients. Important multinational companies recently established in Ljubljana.
  - Nicola Mascovaric, Simic & Partnerji, Ljubljana/Slovenia (see above)
  - Joe McCall, Byrne & Mc Call, Ireland, tax advisors. Ireland offers friendly business and tax environment; Joe McCall is asked to give a presentation of Irish tax advantages in the next Practice Group Meeting.
  - Luis Baptista, Pontes e L. Baptista Sociedade de Revisores Oficiais de Contas, Leiria/Portugal, company dealing with many clients in Portuguese speaking countries in Africa (e.g. Angola, Cape Verde). Portugal offers interesting tax rates e.g. for starting new business in Lisbon area; legislation in Madeira is identical to Portuguese one, but different rates.
  - Sérgio Pontes, Pontes e L. Baptista Sociedade de Revisores Oficiais de Contas, Leiria/Portugal (see above).
- c) Oliver Biernat informs on the final version of the new brochure “International Taxation” which has been printed in Frankfurt (layout by a Swiss agency, chosen by GGI headquarter). Companies from outside Europe have been included in the company list (as desired during the Majorca meeting), but unfortunately there is still no member in North America. Members are asked to inform the chairmen on any possible associate in that region. Alan Rajah offers to contact a company he met some weeks ago. As an incentive to interested firms which might not be able to attend the meetings, there is the possibility to arrange telephone conferences. The ordered brochures are distributed during the break. The next opportunity to get in the brochure or order copies will be in 2009.
- d) Oliver Biernat presents some literature on international taxation, unfortunately only in German. Other members are asked to bring along more information in the next session.
- e) Niels Fischer recommends to use online data, newsletters (free subscription) or software, e.g. the series “How to do business” by all Big Four or Deloitte’s “Tax Data Base”, usually free for use. Ionut Zeche informs on the possible subscription to electronic books; to use synergies subscription could be shared. All members are asked to send links of possible data base to include them in the minutes and allow members to get informed; possible decisions to be taken in a later meeting.

**Item 2: Short presentation of participants present and -if essential- on tax news in their country especially with cross-border effects**

- Henry Charles (UK): News will follow later on by Graham Bush.
- Graham Bush (UK): Welcomes new members; news will follow in item 5.
- Carlos Frühbeck (Spain): Cancellation of wealth tax in Spain will come into effect now and tax returns for 2008 will not have to be filed anymore. Capital gains in Spain are now amounting to 18% for nationals and foreigners (formerly different), which meant a reduction for international investors, but no refund for taxes already paid. It can be advisable to found a company for real estate investments exceeding 1 million Euros. Inheritance tax in Spain differs (local tax).
- Peter Ormandi (CH), now working with Eurotrust tax consulting, formerly GGI Headquarter. Offers study on tax level in different Swiss cantons.
- Alan Rajah (UK): specialized on asset clients.

- Ionut Zeche (RO): tax advisors, international issues. Presentation in item 6.
- Niels Fischer (CH): Changes in Suisse tax regime expected to lower tax rate and be in line with EU regulations; flat rates still existing, tax law in cantons is identical, but tax level can vary; to negotiate with tax authorities; 2-room flat in Switzerland is enough to use flat rates.
- Dr. Roberto d'Alessandro (Malta): No discrimination between nationals and non-residents in Malta. EU-zone since 2008, 35% tax on profits for multinational companies, but series of refunds to shareholders.
- Oliver Biernat (D): Problems with Chamber of Public Accountants in Germany because the translation "Chartered Accountants" is not allowed for German limited companies but only for partnerships in Germany.

**Item 3: Update of workshop members list on the GGI homepage, update of the description of our practice group in the GGI intranet, update of the tax information matrix. Formation of a task force. Development of guidelines for intranet display**

- a) Oliver Biernat reminds that the online member list of the Practice Group has to be updated. The online listing is not identical with the list on the printed brochure. Graham Busch recommends to include more data on specialization of the members in the online list (not more than 3). Graham Bush asked the participants to fill in a scheme with these data.
- b) The presentation of our Practice Group in the GGI intranet and internet has to be updated and modified. Carlos Frühbeck, Nick Brennan, Alan Rajah are forming a workgroup in order to proceed that.

**Item 4: The E-Zone company, also concerning Curacao and the Netherlands Antilles, Regi de Meza**

Presentation (see attachment)

**Item 5: The new UK tax laws affecting non-domiciliaries (update since Majorca meeting), Graham Busch**

Presentation (see attachment)

**Item 6: Real Estate cross-border tax planning opportunities on capital gains pursuant to direct or indirect alienation of shares into a Romanian SPV, Ionut Zeche**

Presentation (see attachment)

**Item 7: EU Court of Justice decision C-234/01 "Gerritse" related to withholding tax on non residents, Dr. Sergio Finulli**

Presentation (see attachment)

**Item 8:**

Oliver Biernat informs on a transfer prices database, which might be too expensive for small and medium sized tax consultants. In order to use synergies such a database could be bought jointly and being offered to all int. tax group members. After discussion members outside Germany not to seem to need these databases because transfer prices are a special German problem and most members of the Practice Group do not have to deal with them as they usually concern big companies. Thus, at that state of time there is no general interest in buying a common data base. However, Oliver Biernat asks other German, US or other tax consultants to contact him, should they consider this a good idea.

**Item 9:**

- a) The next meeting will be held on October 9<sup>th</sup>, 2008, 2.30 p.m., just before the Eastern European Conference in Eisenberg (Austria). Please register well in advance. If there are enough

participants a 2-hour-bus transfer from Vienna Airport at 12 a.m. and sandwiches before the meeting starts can be provided.

After that the next meeting will be on October 30<sup>th</sup> 2008, 2 – 5 p.m. just before the International Conference in Rio de Janeiro. Please arrange your flights so that you will be able to attend.

- b) The new Practice Group members are asked to make presentations during the following meetings. They are asked to send their proposals to the chairmen.
- c) Ionut Zeche proposes to establish a common list of clients of all members. As many members expect problems of confidentiality and some countries oblige accountants to absolute discretion, the suggestion is to work on base of personal recommendations only. Roberto d'Alessandro claims utmost diligence in recommending clients to guarantee quality of work on both sides. Finally, the participants agree on establishing a list of characteristics of their major clients (e.g. branches) without mentioning the names. Data should be sent to the chairmen.
- d) In relation to the new brochure "International Tax Services" members ask for an update. Oliver Biernat informs that an update of the printed version is planned once a year, whilst the online version of the members of the int. tax practice group could be updated more frequently. The members criticise that headquarter charged an extra fee for the layout.
- e) Ionut Zeche proposes to create a brief flyer on "Doing business in ..." for every member country with identical layout and containing crucial data of the country (e.g. tax rates, public holidays). A workgroup is formed to proceed with that. Members are: Carlos Frühbeck, Dr. Roberto d'Alessandro and Ionut Zeche. They will present their proposal in a Practice Group meeting in October.
- f) All members are asked to process the assigned tasks until the next meeting. All members (present or not this time) are asked to hand in suggestions for presentations they wish to make at the next meetings.

**Item 10:**

The chairman, Oliver Biernat, thanks all participants for the effective labour done and closes the meeting in time, at 17:30.

GGI headquarter is asked to provide the participants of the practice groups with coffee and biscuits during the breaks, if they are before, during or after GGI conferences.

Furthermore GGI headquarter is asked to send out invitations to all possible practice group members well in advance. Some members, who have not attended the Majorca meeting, had booked their flights already and received the invitation for this practice group too late.

**Annex:**

- Presentations on items 5-7 (presentation 4 to follow)
- 2 PDF documents of the brochure International Taxation: 1 high quality version for printing, 1 for online purposes.
- List of links on interesting databases and homepages (if you have more please send them to the chairman, so that we can put a list in the intranet)