Tax Treaties and International Tax Standards: Curaçao's Commitment & Strategy

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- the second edition of Curaçao Experience -
CORDENDON The Rif

Tax Treaty negotiations Mauritius - Curaçao

Tax Treaty Curaçao-Mauritius

- Negotiations and Initialing treaty
- 3-5 February 2025

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Initialing Tax Treaty Curaçao-Cyprus September 2024

Tax Treaty Curaçao-Suriname

1 July 2024

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Tax Treaty Curaçao-San Marino November 2023 signed

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The importance of Tax Treaties

Facilitation of cross-border investments and transfer of skills and technology	Prevention of fiscal evation	Political reasons
• To prevent double taxation • Providing certainty and simplicity	• Exchange of information • Cooperation between tax administrations	• Enhancing bilateral relations

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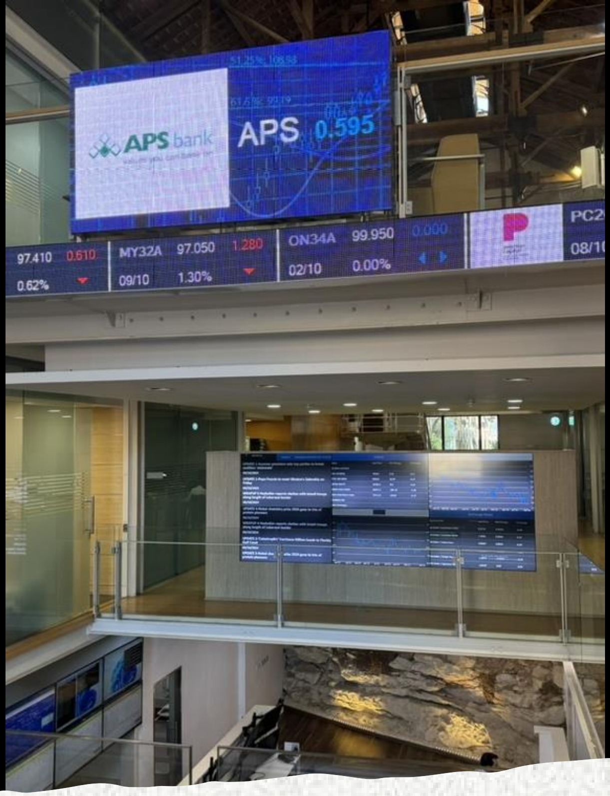

Curaçao-Malta

- Stock Exchange Borza Malta and DCSX
- Ministry Education - MCAST

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Why should the Caribbean and Latin American jurisdictions be aware of the European Union tax initiatives?

- The European Union (EU) has become a relevant player in the international tax arena and do influence the tax agenda setting in non-EU jurisdiction
- Being on the EU list of non-cooperative jurisdiction may close the door for negotiating Tax Treaties with certain countries

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International Tax Standards→ 'EU list of Non-Cooperative Jurisdictions for Tax Purposes' or 'EU list'

To address harmful tax competition by imposing tax standards on non-EU countries and jurisdictions

Refusing to comply→'annex I' or '**EU black list**'.

Not yet comply with all tax standards but have committed to implementing reforms →annex II: a state of play document ('**EU gray list**').

EU list

The 3 listing criteria

Tax transparency, which includes exchange of information with EU Member States by implementing OECD standards on Automatic Exchange of Information (AEOI) and Exchange of Information on Request (EOIR).

Fair taxation, which implies the idea that countries should not have harmful preferential corporate income tax measures according to the EU Code of Conduct.

Implementation of the OECD/G20 BEPS ‘minimum standards’.

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Automatic Exchange of Informaton (AEOI)

Legal framework implementing the AEOI Standard is in place, and it is consistent with the requirements of the AEOI Terms of Reference.

Effectiveness: compliance activities, onsite as well as desk-based audits to verify whether FIs are practically complying with their obligations under the CRS.

- The requirements to implement and report financial account information is provided by the Common Reporting Standard (CRS)-

EU List of non-cooperative jurisdictions

Updated in February and October

18 February '25 update→ removal from the EU grey list

A future 4th criteria?

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Implementation of the OECD/G20 BEPS 'minimum standards'.

4. Global Minimum Tax" (GMT) – the GloBE rules of Pillar Two

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Introduction of Pillar 2 in Curaçao

As of 1 January 2025

Some jurisdictions have abandoned their “wait and see” position

Implementation actions by: Colombia, Curaçao, Barbados, Brazil, Bahamas and Puerto Rico

Mainly because of EU-list initiative, the EU has an influential role in international taxation.

- The European Union (EU) do influence the tax agenda setting in non-EU jurisdiction
- Curaçao’s strategy is to comply with the international tax standards, especially to get and maintain a status out of the EU list of non-cooperative jurisdictions for tax purposes.

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To conclude

- Building a Tax Treaty Network for Curaçao is one of the priorities set by the Minister of Finance, Mr. Javier Silvania
- A Double Tax Agreement can facilitate broad sustainable socio-economic development for our countries and diversify our economies
- Compliant with all the International Tax Standards

Concluding a Tax Treaty with Curaçao

Let’s stay in touch…

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