



3 September 2020

**VIA ELECTRONIC MAIL**

Mr. Pascal Saint-Amans  
Director, Centre for Tax Policy & Administration  
Organisation for Economic Co-operation and Development  
2 rue André Pascal  
75016 Paris  
France  
[pascal.saint-amans@oecd.org](mailto:pascal.saint-amans@oecd.org)

Mr. Gerassimos Thomas  
Director-General  
Directorate-General for Taxation and Customs Union  
European Commission  
Rue Joseph II 79  
1000 Brussels  
Belgium

**Subject: Challenges financial institutions and portfolio investors are facing in regards to cross-border withholding tax relief procedures in light of COVID-19 - Examples**

Dear Mr Saint-Amans / Mr Gerassimos:

Further to our letter of 20 April 2020, the undersigned associations<sup>1</sup> welcome the opportunity to share their experience on challenges financial institutions and portfolio investors are facing under the current COVID-19 health crisis, which affect the ability of the latter to access withholding tax relief they are entitled to.

---

<sup>1</sup> More information about each association is in the Appendix 4.

We all welcome steps taken by regulators and tax authorities in several countries to implement alternatives to the acceptance of physical (paper) for the claiming of withholding tax relief, and agreeing to temporarily accept certain documentation in electronic format, provided physical originals are delivered in due course.

We also welcome the Commission's commitment in the Tax Action Plan of mid July to put forward proposals to introduce in the EU a withholding tax relief at source along the lines of the OECD TRACE Implementation Package.

However, a number of regulators and tax authorities still require the provision of physical documents creating barriers to global investors in circumstances already challenging and non-standard circumstances. In response to these circumstances, investors and custodians have been obliged to review arrangements as part of their contingency plans in respect of the movement of physical paper.

Our members have provided us with concrete examples of the following key challenges / series of scenarios which are arising depending on the cross-border nature<sup>2</sup>:

- 1) Tax authorities are not being able to issue original Certificates of Tax Residency (CORs) or to stamp the relevant tax relief forms;
- 2) Original physical tax forms and documents are not being moved by tax authorities;
- 3) Disruption of postal services is impacting market participants;
- 4) Re-sending applications due to lack of acknowledgement of receipt by tax authorities;
- 5) Inability to get signed documents where "wet" signature is required;
- 6) Inability to get tax documents notarized/apostilled/consularized.

These examples show that the tax documentation process involves receiving tax documentation, referencing and scanning that documentation, validating the documents, instructing the transferring of assets and movements of account market files, providing the documentation to the sub-custodians/tax authorities, and ensuring the documents are stored in systems for easy retrieval and use during the income and reclaims process.

When documentation is in place, it provides for tax relief to the clients/underlying beneficial owners. The main risk is that investors will not get the best or any relief that they are entitled to if this documentation is not in place. A particular risk is relief at source (RAS)-only markets.<sup>3</sup>

Just as tax authorities globally have had to implement contingency plans, the financial services sector had to change (overnight) workflow to enable clients to send data templates via email in lieu of physical documentation. Some custodians turn this data into forms for onward sending, executing under POA, for example, acting on behalf of the client to print these documents out and sign them where ordinarily we would not do this. Notwithstanding dual signing, 4-eye control, chain of POAs, notarization, as described

---

<sup>2</sup> As a general example, a client in Singapore has to move paper internally, then obtain its home tax authority certification, sign, post and HOPE it arrives in the source country tax offices, for example, in Europe. Equally, however, the same issue applies for a Canadian client who must undertake the same steps to get its document to for example, the Indonesian tax authority, ditto the Singapore investor with an Indonesian tax reclaim....the context is the same. For detailed examples for each scenario, please refer to **Appendix 1**.

<sup>3</sup> Please refer to **Appendix 2** for details, these include but are not limited to Indonesia, Israel, Italy, South Korea and Tunisia). If relief is missed (documentation not in place) for these markets, there is no opportunity for our clients to recoup this money. We highlight that in some of these markets, for example, Italy and Indonesia, whilst a reclaim procedure may be available they have proven to be un-operable and cumbersome, with non-resident investors being unsuccessful in obtaining retrospective refunds. RAS is therefore the only viable relief procedure available in practice.

above, the custodian may not be able to act on behalf of its client (being an institutional investor or an individual) in all cases.<sup>4</sup> As an illustration of the above, global custodians have had to:

1. Implement Nitro PDF Pro access across the entire operations teams (VDS, Laptop Deployment, or Desktop Deployment) for document stamping, reference numbers, and digital certification (if needed).
2. Distribute shipping and printing supplies to multiple team members' homes in case of sudden physical location shutdown.
3. Ensure notaries have their stamp at home and, if they are still coming into the office, have them take their stamp home each night.
4. Ensure checks for signing authority of documents at home. If needed, and possible, grant signing authority to more employees.
5. Inventory at home printing capabilities. Distribute out printing hardware and supplies to home locations in case of sudden shutdown.
6. In the event of document re-routing, we are assuming that at least one document processing location will be opened at any given time – meaning they will not both close simultaneously or have an overlap of time while both locations are closed, increasing the chance of lost documents, etc.
7. Address the need to obtain risk and compliance approval to allow for print and ship from home capabilities – we assume this is something that the tax authorities had to address also.

It is however interesting to note that the COVID-19 global lockdown has not resulted in global investors foregoing tax relief on any income arising from sources in the United States. The withholding tax system in the United States has a number of common principles enabling investors to benefit from withholding tax relief, all of which remove the need for the heavy paper based process that exists when claiming treaty relief within other tax administrations:

1. Investors can provide to an upstream withholding agent a self-certification using either a Form W-9 for (US) residents or a Form W-8 for non-US persons.
2. The US W-8 forms have a life span of three years from the end of the year in which signed, unless the recipient can obtain a US domestic tax identification number (TIN).
3. The forms do not require certification by the investor's home country tax authority
4. They can be delivered electronically and a "wet" signature is not required.

---

<sup>4</sup> For example, the market itself may prohibit the signing of a tax document under a POA or if permissible, it may result in the attorney substituting for the BO (the investor) before the tax authority for the purpose of the tax relief procedure, which creates unintended liabilities. Please refer to Example 5 of Appendix 1 for countries where the custodian is unable to sign tax forms on behalf of the client.

We appreciate your consideration of our examples and any efforts you can make to promote the adoption of the recommendations included in our letter of April 20, 2020 by as many tax administrations around the world as possible. Please do not hesitate to contact Roger Kaiser at the European Banking Federation (r.kaiser@ebf.eu) if you would like further discussion or clarification of these examples.

Please accept our best wishes for the good health and safety of you and your colleagues in this challenging period.

Yours sincerely,

Rob Nichols  
President and CEO, ABA

Hervé Guider  
General Manager, EACB

Chris De Noose  
Managing Director, ESBG

Adam Farkas  
Chief Executive, AFME

Wim Mijs  
Chief Executive Officer, EBF

Hedwige Nuyens,  
CEO, IBFed

Mary C. Bennett  
Counsel, AGC

Tanguy van de Werve  
Secretary General, EFAMA

Keith Lawson,  
Deputy General Counsel,  
Tax Law, ICI Global

Mark Austen  
CEO, ASIFMA

Anshita Joshi  
Head of Tax,  
The IA

Eric de Montgolfier  
Chief Executive Officer, Invest  
Europe

Jonathan Lawford,  
Chair of International  
Custody Tax Liaison  
Working Group, UK Finance

## Appendix 1 – EXAMPLES

### **Example 1 – Inability of the investor to obtain an original, current year, certificate of tax residence from their home country tax authorities or have the relevant tax relief form stamped**

As a result of the global reaction to COVID-19 some government offices around the world, including those responsible for issuing Certificates of Tax Residency (CORs), have implemented measures to protect their employees and therefore closed or partially closed their offices. As can be expected this creates disruptions to their normal services.

Those tax authorities that have, at various stages, closed their offices include, but are not limited to, Belgium, Canada, France, Hong Kong, The Netherlands, Spain and the United States. This broadly means that individual and institutional cross-border investors resident in any of these countries may have to forego their tax relief should they be unable to timely obtain from their home country tax authorities a COR and thereafter be able to send this to the source country tax authorities, assuming the source country can take receipt and process a physical document.

Some countries' tax authorities have implemented remote working solutions (for example but not limited to Finland, Poland, Switzerland and the United Kingdom). This means that tax office employees are able to work from home. However, this does not mean they are able to issue current year CORs in physical form in all cases as they may not have all of the required tools to operate remotely from home and/or there may be other unavoidable concerns/considerations.

Examples of unavoidable concerns/considerations from tax office employees working remotely are:

- COVID-19 Business Continuity Plans implemented may not allow the removal of certain government property including the official stamp, which is normally used when issuing CORs in physical form.
- Signing authority of the remote worker.
- Concerns with General Data Protection Regulation (GDPR) if an employee has access to sensitive taxpayer information at home.
- Ability of the tax authorities with remote workers to send CORs to the requestor (access to stamps, courier services).

These challenges appear to have been acknowledged by some tax authorities who are bi-laterally discussing with their treaty partners relaxation of, for example, wet ink signatures on a certificate of residence. However, we are not aware of any bi-lateral discussions that have resulted in an agreement to transmit certificates from tax authority to investor to custodian in electronic format.

It is important to highlight that some countries already routinely apply a grace period (extension) to prior year CORs, taking into account the difficulty cross-border investors face to obtain a COR at the start of a calendar year and have this in place prior to an income event (for example, France and Italy). The COVID-19 crisis has emphasized this. As a result, we have seen France and Italy extending their grace period (to 15 July and 15 June 2020 respectively) to allow withholding tax relief at source to continue. This, however, is not the norm.

Nevertheless, provision of original documents prior to the end of the extension period will, in many cases not be met: anecdotal evidence suggests more than 100,000 income payments are affected with more than US\$200 million in tax relief to be reversed from investors' accounts. In such case, impacted investors (that have been paid with relief at source) will be subject to reversals of that income and will need to file retrospective reclaims. This will inevitably increase volumes for tax authorities, already dealing with backlog and where lockdown measures remain, likely some resource constraints.

Considering a large number of cross-border portfolio investors will be regulated financial entities (for example, U.S. RICs by the SEC, EU resident investment funds compliant with the UCITS Directive and regulated by their financial regulator, insurance companies regulated by their financial regulator, listed companies regulated by their Stock Exchange, etc.), pension funds (supervised in their country of residence by their prudential supervisory authority and in the case of the European Union compliant with the IORP Directive), and sovereign wealth funds (which are State-owned), it is inevitable to ask what other means of residency certification may be available and acceptable to source countries' tax authorities and regulators. Given the regulatory and supervisory framework these institutional investors will need to abide by, it is unlikely they will be used for treaty shopping or change tax residence in a short period.

Following the above, we would respectfully suggest introducing a grace period of investors' 2019 issued CORs through at the very least the third quarter, and more appropriately all, of 2020 to allow withholding tax relief to continue. Several cross-border investors are resident in countries where their own tax authorities are in shutdown and/or working remotely, making it practically impossible to obtain a COR. Please refer to **Appendix 2** for details of the limited number of countries that have provided an extension or introduced a grace period, as well as tax authorities that are in shutdown, partial shutdown and/or working remotely.

### **Example 2 – Challenge of moving original physical tax forms and documents by tax authorities.**

Even if a tax office employee can work from home, the tax authorities need the ability to collect post from their offices and send it to their employees' home address to enable its processing. This means tax authorities need to rely on couriers.

This may result in the inability to efficiently and timely process physical paper reclaim forms, which themselves must be certified. Source countries that require tax reclaim forms/tax documents to be certified by the tax authorities of the investor's domicile include but are not limited to Switzerland, Austria, Belgium, and Poland.

Although the World Health Organization has not issued any official advice in regards to the transmission of COVID-19 through paper, contingency measures implemented by a number of countries encourage avoiding its use, for example use of contactless card for payments instead of paper notes. If we apply this to the use of physical documents, it raises the question whether by continuing managing physical documents, the risk of spreading the virus remains. Similarly, if the same physical documents are left aside for say 72 hours before opening to "lower" exposure to COVID-19, deadlines could be missed.

Following the above, we respectfully suggest authorizing the acceptance, at least temporarily, by all parties in the chain, of electronic (scanned copy) tax documents and forms, with the further option for documents to be electronically affirmed. Please refer to **Appendix 2** for details of countries that have introduced contingency measures and are

accepting tax documents in electronic format (including government-issued CORs), as well as electronic and/or digital signatures.

### **Example 3 - Disruption to postal services and impact on market participants**

#### **The reclaim “journey” and postal challenges**

Tax relief documentation is generally completed and if required signed by the Beneficial Owner (BO) or its representative. In some cases, for example, tax reclaims on dividend income in Austria, Switzerland and the UK (REITs), it may involve the global custodian completing and sending the tax reclaim forms to the BO for signature, for these to be returned to the global custodian for onward processing. In some other cases it may be the BO who prints, completes, signs and returns the forms to the global custodian. In others, the global custodian may need to send the physical tax reclaim form to the tax authority in the investor’s country of residence for certification. In all cases it means market participants will need to have access to printers, official stamps and reliable postal or courier services. This is without considering certain markets may require several tax documents (i.e. in addition to a COR) to be notarized, consularized and/or apostilled (for example but not limited to Poland and Bulgaria).

Presently, as part of their contingency procedures institutional investors may be using mail-forwarding services, others may have a designated person periodically going to their premises to collect physical documents and distribute them. Others may be relying on domestic and international courier services (the latter with the additional challenge of limited international flights and airports around the world partially closed). Doing nothing even in those markets where a reclaim route is available is not necessarily an option, as waiting for the COVID-19 crisis to be over to only then start moving documentation could result in missing statute deadlines and ultimately the ability to obtain tax relief.

However, notwithstanding contingency procedures/business continuity plans could be implemented to move physical documentation during the COVID-19 crisis, the same contingency measures create risks as tax information will need to “travel” physically through 5 to 7 points of contact before being filed with the source country’s tax authority:

- Data-privacy issues, GDPR and delays: courier services globally have implemented social distanced deliveries. This means contactless deliveries and contactless signing. In a tax relief scenario it means a courier service leaving a box that contains financial, tax and personal information (sensitive information) at any of the different points shown in **Appendix 3** of this letter. This could result in the sender’s inability to confirm with certainty that documents have made their way to the right market participant (this could include depending on where in the chain the document is, for example, the tax authority of the country of domicile of the cross-border portfolio investor, the source country tax authority, the beneficial owner, the paying agent, withholding agent, sub-custodian, global custodian etc.). Similarly, the person in receipt of the package will take on the risk for its content, without having the opportunity to confirm the information has been delivered to the incumbent person. For example, the box is left at the security gate the day the appointed person was not visiting the premises to collect it; the box is misplaced before collection; etc.
- As noted in Example 1, some tax authorities have implemented measures to protect their employees and closed or partially closed their offices. If tax documentation is couriered to a local tax authority that is currently shut-down for certification or

processing, there is a risk that documents, although delivered, may be left unopened and unattended until services are resumed. By then, deadlines could have been missed and/or the documents may have been misplaced.

- Notwithstanding a “reclaim package” arrives to the source country tax authority, the incumbent tax office employee may be working remotely, the tax office may be working only with a “skeleton force” and no formal acknowledgement of its receipt is made to the local sub-custodian, global custodian or non-resident investor. This creates a level of uncertainty in the tax relief procedure.

As in Example 2, in response to the COVID-19 crisis and as a temporary measure, we respectfully suggest authorizing the acceptance, by all parties in the chain of tax documents and forms in electronic format, as well as electronic and/or digital signatures. The timely adoption of these actions will minimize disturbance in the cross-border tax relief process and reduce strains on all market participants, including the tax administrations.

#### **Example 4 – Duplicate claims**

Considering the challenges and additional uncertainty described in Example 3, investors and global custodians may have to take additional steps to protect the investor’s entitlements, particularly with regards to statute claims. For example, when there is no acknowledgement received by the global custodian that reclaims have been delivered to the corresponding source country tax office and there is a risk the investor could lose its entitlement (for example, the reclaim package arguably sent and delivered is in respect of statute claims), the global custodian or the investor may have to assess whether to re-send the reclaim package, with the risk of inadvertently filing a duplicate tax relief claim. This is a very real challenge. If it transpires that the reclaim package was lost and the investor loses its ability to file a reclaim because by the time it is discovered (for example, when the source country goes back to normal levels of operations) it is out of statute, the global custodian could be considered acting negligently in performing its duties. As such, having to send a second or third package may occur. Notably, in those circumstances, the global custodian will highlight in that second or third re-submission that an original reclaim package was sent, no acknowledgement was received, etc. to assist the source country tax authority in minimizing the risk of processing a reclaim twice.

Similarly, due to the uncertainty of available workforces at local and source country tax authorities concerning the issuance of required tax documentation and the secure receipt of the latter to process tax reclaims, and also within the custody chain at custodian and financial intermediary levels to allow for the timely submission of said tax documentation from an end-to-end process flow perspective (refer to Example 3), investors may simultaneously choose to submit tax reclaims independently, without notifying their respective global custodian(s) in a timely manner. Even when such notification is received and the global custodian proactively informs the source country tax authority, that first/second/third reclaim package described above, may have already been sent.

It is unclear how tax administrations can adequately track, trace and cross-check data gathered from various sources, including data already available to local tax administrations. Local tax authorities may not be easily alerted to potential duplicate tax reclaim submissions, which does not allow them to focus on real areas of concern within the tax reclaim submission processes.

We observe that the issues with the movement of physical documents and the potential for duplicate reclaims on the same income event have previously been anticipated and



well documented in numerous reports, often with recommendations for tax administrations to adapt digitalized withholding tax procedures, which would allow for tax forms to be completed and submitted digitally. The COVID-19 crisis has shone further light on the current submission process of physical tax documents for tax relief purposes being administratively burdensome and risky but also shown it is problematic during a pandemic.

Following the above, we respectfully suggest tax administrations provide clear guidance as to their business continuity plans during the COVID-19 crisis, in particular how they will be tracking, tracing, cross-checking and acknowledging tax relief documentation sent by financial institutions, should they continue to be required them in physical form.

### **Example 5 - Signing ability**

Notwithstanding the COVID-19 crisis, many tax documents, from CORs to investor declarations and tax forms, not only need to continue being delivered in paper form but still require a “wet” signature. Due to remote working and restricted travelling implemented by governments and businesses around the world (airports closed, curfews in countries that means movement of people is extremely limited or only within certain hours, limited land transportation, etc.), market participants may be unable to sign tax documentation in person.

In the case of clients (investors) who dual sign forms, they could not do 4-eye control without adding significant risk by expecting employees to attend the office to print, complete, review and sign such documents. Mindful most financial service centres are in the heavily populated cities (for example, London, Paris, New York, Brussels, Madrid, Milan, Singapore).

In some cases, global custodians may be able to act on behalf of their clients (the cross-border investor) and sign certain documents under power of attorney (POA). However, such option is not available in a number of markets, for example but not limited to:

- Relief at source markets: Germany, Greece, Ireland, Indonesia, Japan, South Korea;
- Reclaim markets: Austria, Bulgaria, Germany, Greece, Japan, Poland, Ireland.

Interestingly Austria, Germany, Greece and Poland have not implemented a contingency plan for their reclaim procedure, still requesting paper documentation in wet ink. However, all these are Members of the European Union which itself is advancing the digital agenda for signatures with the eIDAS Regulation, evolved from the Directive, yet tax authorities and regulators seem not to embrace this.

Following the above, we respectfully suggest tax administrations authorize at least temporarily the acceptance of tax documents bearing electronic or digital signatures. It is worth noting that digital signatures, for example, include a cryptographic mechanism which, if certain prerequisites are satisfied, provides a very strong reason to believe that a known sender created the message, that the message was not altered in transit (integrity), and that the person assigning the digital signature cannot deny they meant to apply it. We refer to **Appendix 2** for details of countries that have introduced the acceptance of either electronic or digital signatures as part of their COVID-19 contingency measures. There are, however, several countries where no action has been taken. These include but are not limited to: Belgium, Czech Republic, Italy, Philippines and Russia.

## **Example 6 – Inability to get CORs or tax documents notarized/apostilled/consularized**

There are markets where CORs and other tax documentation not only needs to be provided in physical form but also needs to be duly certified by a notary or consular office or display The Hague Apostille stamp. This means it's necessary for a person to physically sign in wet ink a document and another one in the same place attesting its authenticity (where e-notarization is not an option) and that the document has been signed willingly. In some cases this also requires moving the same physical document to another premise for certification with all the challenges that involves (limited hours of attendance, offices partially closed, courier services challenges, etc). This requirement however remains. Source countries where such certification is required are Egypt (COR), Russia (COR), Taiwan (BO Certificate), Poland (several tax documents), Slovak Republic (COR if electronically or digitally signed), Bulgaria (Tax Application Instruction).

We respectfully suggest eliminating at least temporarily the requirement for the apostillization, notarization, or legalization of tax documentation required for the application of withholding tax relief. Some of the countries where these requirements have not been temporarily removed, are relief at source markets only (for example, Russia, Egypt and Taiwan). This means that, should the cross-border investor be unable to provide duly certified tax documentation, it may lose its entitlement to tax relief permanently.

## Appendix 2 – HIGH LEVEL IMPACT ANALYSIS<sup>5</sup>

Investment Market	Relief at source (RAS) Direct Account Holders (i.e. segregated / single BO accounts)	Standard Reclaim (SR) available	Statute of limitations for reclaim markets (if not specified is calendar)	Tax authorities: shutdown, partial shutdown, remote working, BAU (updated May 21, 2020)	COVID-19 crisis - RAS Agreed to contingency Scanned PDFs (Y/N)	COVID-19 crisis - SR Agreed to contingency Scanned PDFs (Y/N)	COVID-19 crisis - RAS Agreed to contingency - digital / electronic signatures (Y/N)	COVID-19 crisis - SR Agreed to contingency - digital/electronic signatures (Y/N)	COVID-19 crisis Source country agreed to extension/grace period on previously issued CORs	COVID-19 crisis Remove requirement for apostilisation, notarisation or legalisation of tax documentation (Y/N)	COVID-19 crisis Extending SOL to allow additional time for submission of reclaims (Y/N)
Australia	divs bonds	divs bonds	5 years PD	BAU	Y	N/A	Y	N/A	N	N/A	N
Austria	N/A	divs	5 years	BAU	N/A	N	N/A	N	N	N/A	N
Bangladesh	divs bonds	N/A	N/A	Shutdown	BAU	N/A	BAU	N/A	N	N/A	N
Belgium	bonds	divs	4 years	Shutdown	N	N	N	only Form 276DIV	N	N/A	N
Bulgaria	N/A	divs	5 years	No information	N/A	N	N/A	N	N	N	N
Canada	divs	divs	2 years	Shutdown (very limited activity, not issuing CORs)	Y (partial)	Y (partial)	Y (partial)	Y (partial)	N	N/A	N
Colombia	divs bonds	N/A	N/A	No information	Y	N/A	Y	N/A	N	N/A	N
Czech Republic	divs bonds	divs bonds	2 years PD	No information	Y	Y	N	N	N	N/A	N
Denmark	Frikort holders divs	divs	3 years PD	Remote working	Y	Y	N/A	Y	N	N/A	N
Egypt	divs bonds	N/A	N/A	No information	N	N/A	N	N/A	N	N	N
Finland	divs	divs	3 years	Remote working	Y	Y	Y	Y	N	N/A	N
France	divs	divs	2 years	Remote working	Y	N	Y	Y	July 15, 2020	N/A	N
Germany	divs bonds	divs bonds	4 years	Remote and on-site	Y	N	N/A	N	N	N/A	N

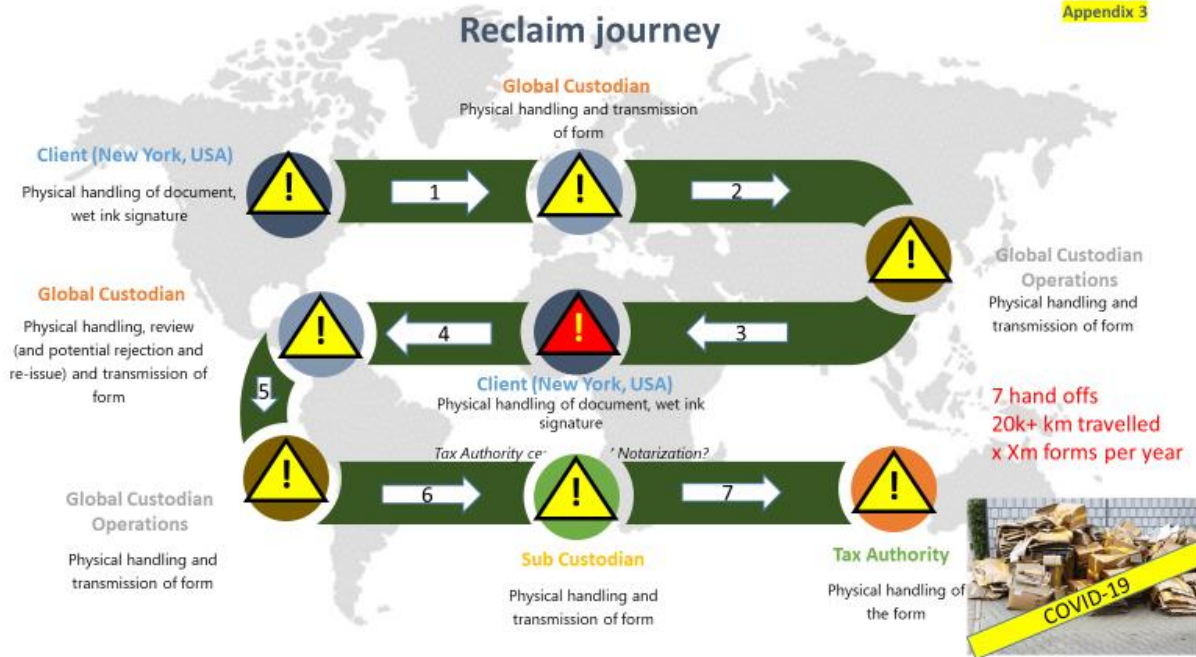
<sup>5</sup> This document is for information only and its contents are subject to change. The signatories to this letter have gathered the information from sources they consider reliable including competent tax authorities and regulators, local banks, and third party providers. However, they cannot be responsible for inaccuracies, incomplete information, or updating information furnished hereby.

Investment Market	Relief at source (RAS) Direct Account Holders (i.e. segregated / single BO accounts)	Standard Reclaim (SR) available	Statute of limitations for reclaim markets (if not specified is calendar)	Tax authorities: shutdown, partial shutdown, remote working, BAU (updated May 21, 2020)	COVID-19 crisis - RAS Agreed to contingency Scanned PDFs (Y/N)	COVID-19 crisis - SR Agreed to contingency Scanned PDFs (Y/N)	COVID-19 crisis - RAS Agreed to contingency - digital / electronic signatures (Y/N)	COVID-19 crisis - SR Agreed to contingency - digital/electronic signatures (Y/N)	COVID-19 crisis Source country agreed to extension/grace period on previously issued CORs	COVID-19 crisis Remove requirement for apostilisation, notarisation or legalisation of tax documentation (Y/N)	COVID-19 crisis Extending SOL to allow additional time for submission of reclaims (Y/N)
Greece	divs bonds	divs bonds	5 years PD	No information	Y	N	Y	N	N	N/A	N
Iceland	divs bonds	N/A	N/A	No information	Y	N/A	Y	N/A	N	N/A	N
Indonesia	divs bonds	N/A	N/A	Remote working	Y	N/A	Y	N/A	N	N/A	N
Ireland	divs	divs	4 years	BAU	Y	Y	Y	Y	N	N/A	N
Israel	divs	N/A	N/A	Remote working	Y	N/A	Y	N/A	N	N/A	N
Italy	divs bonds	N/A	N/A	Remote working	Y	N/A	N (CORs Y if verifiable)	N/A	June 15, 2020	N/A	N
Japan	divs bonds	divs	5 years PD	BAU	Y (partial)	Y (partial)	Y (partial)	Y (partial)	N	N/A	N
Latvia	divs bonds	N/A	N/A	No information	N/A - account opening docs	N/A	N/A	N/A	N	N/A	N
Lithuania	divs bonds	divs bonds	3 years from the end of the year of income payment, entities and 5 years for non-resident individuals	No information	N	N	N	N	N	N/A	N
Luxembourg	N/A	divs	31 December in year following income payment	BAU by appointment	N/A	N	N/A	N	N	N/A	N
Malaysia	divs	N/A	N/A	No information	N/A - account opening docs	N/A	N/A	N/A	N	N/A	N
Mexico	divs bonds	N/A	N/A	No information	Y	N/A	Y	N/A	N	N/A	N

Investment Market	Relief at source (RAS) Direct Account Holders (i.e. segregated / single BO accounts)	Standard Reclaim (SR) available	Statute of limitations for reclaim markets (if not specified is calendar)	Tax authorities: shutdown, partial shutdown, remote working, BAU (updated May 21, 2020)	COVID-19 crisis - RAS Agreed to contingency Scanned PDFs (Y/N)	COVID-19 crisis - SR Agreed to contingency Scanned PDFs (Y/N)	COVID-19 crisis - RAS Agreed to contingency - digital / electronic signatures (Y/N)	COVID-19 crisis - SR Agreed to contingency - digital/electronic signatures (Y/N)	COVID-19 crisis Source country agreed to extension/grace period on previously issued CORs	COVID-19 crisis Remove requirement for apostilisation, notarisation or legalisation of tax documentation (Y/N)	COVID-19 crisis Extending SOL to allow additional time for submission of reclaims (Y/N)
Netherlands	N/A	divs	3 years	Remote working	N/A	Digiport	N/A	Digiport	N	N/A	N
New Zealand	divs bonds	divs bonds	4 years	BAU	Y	Y	Y	Y	N	N/A	N
Norway	divs	divs	5 years	Remote working	Y	Y	Y (partial)	Y (partial)	N	N/A	N
Philippines	divs	N/A	N/A	No information	N	N/A	N	N/A	N	N/A	N
Poland	divs bonds	divs bonds	5 years	Remote working	Y	N	Y - notarized	Y - notarized	N	N	Proposal
Portugal	divs bonds	divs	2 years	Partial shutdown	Y (apart for decl U.S. residents)	N	N	N	N	N/A	N
Romania	divs	divs	5 years (from January 1 of the year following income payment)	No information	N	N	N	N	N	N/A	N
Russia	divs bonds	N/A	N/A	BAU	N	N/A	N	N/A	N	N	N
Singapore	divs	N/A	N/A	Remote and on-site	N/A - account opening docs	N/A	N/A	N/A	N	N/A	N
Slovak Republic	divs	divs	10 years	No information	Y	N	Y	N	N	N	N
Slovenia	divs	divs	5 years PD	No information	Y	Y	N	N	N	N/A	N
South Africa	divs bonds	divs bonds	3 years PD	No information	Y	Y	Y	Y	N	N/A	N
South Korea	divs bonds	N/A	N/A	Remote working	Y	N/A	Y	N/A	N	N/A	N
Spain	bonds	divs bonds	4 years PD/quarterly	Shutdown	Y	Y	Uncertain	Uncertain	Yes - April 30, 2020	N/A	N
Sweden	divs	divs	5 years	Remote and on-site	Y	Y	Y	Y	N	N/A	N

Investment Market	Relief at source (RAS) Direct Account Holders (i.e. segregated / single BO accounts)	Standard Reclaim (SR) available	Statute of limitations for reclaim markets (if not specified is calendar)	Tax authorities: shutdown, partial shutdown, remote working, BAU (updated May 21, 2020)	COVID-19 crisis - RAS Agreed to contingency Scanned PDFs (Y/N)	COVID-19 crisis - SR Agreed to contingency Scanned PDFs (Y/N)	COVID-19 crisis - RAS Agreed to contingency - digital / electronic signatures (Y/N)	COVID-19 crisis - SR Agreed to contingency - digital/electronic signatures (Y/N)	COVID-19 crisis Source country agreed to extension/grace period on previously issued CORs	COVID-19 crisis Remove requirement for apostilisation, notarisation or legalisation of tax documentation (Y/N)	COVID-19 crisis Extending SOL to allow additional time for submission of reclaims (Y/N)
Switzerland	N/A	divs bonds	3 years	Remote working	N/A	N	N/A	N	N	N/A	N
Taiwan	divs bonds	N/A	N/A	No information	N	N/A	only UK CORs	N/A	N	N	N
Tunisia	divs bonds	N/A	N/A	No information	Y	N/A	Y	N/A	N	N/A	N
Turkey	divs	N/A	N/A	No information	N	N/A	N	N/A	N	N/A	N
United Kingdom	divs (REITs)	divs (REITs)	4 years	Remote working	N	Y (partial)	N	Y	N	N/A	N
United States	divs bonds	N/A	N/A	Shutdown	BAU	N/A	BAU	N/A	N	N/A	N

## Appendix 3 – RECLAIM GLOBAL JOURNEY



- Appendix 3
- ### Reclaim journey
1. US Client completes a reclaim instruction document which includes information about the client related to the tax reclaim. Typically requires authorised signature in wet ink.
  2. Client sends document to their Global Custodians Operations hub (could be Europe/US).
  3. The Operations hub generates a pre-filled reclaim form and sends to client. Tax authorities insist on wet ink signature.
  4. US Client signs and obtains certification from the local tax authority and returns to their Global Custodian. Tax authorities require certification of form, some may accept standalone COR.
  5. Form reviewed for completeness and additional original documents collated and attached to reclaim package before sending to local sub-custodian.
  6. Submitted to sub custodian in market of investment
  7. Sub custodian files with tax authority for repayment



## Appendix 4 – INFORMATION ABOUT SIGNATORY ORGANISATIONS

**ABA** (American Bankers Association) is the voice of the nation's \$18.6 trillion banking industry, which is composed of small, regional, and large banks. Together, America's banks employ more than 2 million men and women, safeguard \$14.5 trillion in deposits, and extend more than \$10.5 trillion in loans.

**AFME** (the Association for Financial Markets in Europe) is the voice of all Europe's wholesale financial markets, providing expertise across a broad range of regulatory and capital markets issues. It represents the leading global and European banks and other significant capital market players. AFME advocates for deep and integrated European capital markets which serve the needs of companies and investors, supporting economic growth and benefiting society.

**AGC** (Association of Global Custodians) is an informal group of 12 member banks that provide securities safekeeping and asset servicing functions to cross-border institutional investors worldwide, including investment funds. In providing global custody services, AGC members routinely seek appropriate withholding tax relief on behalf of custody clients by processing millions of such claims in the aggregate each year, affecting substantial amounts of cross-border portfolio investment flows in and out of countries worldwide.

**ASIFMA** (Asia Securities Industry & Financial Markets Association) is an independent, regional trade association with over 120 member firms comprising a diverse range of leading financial institutions from both the buy and sell side. Our mission is to promote the development of liquid, deep and broad capital markets in Asia, which is fundamental to the region's economic growth.

**EACB** (The European Association of Co-operative Banks) represents, promotes and defends the common interests of its 27 member institutions and of cooperative banks, with regard to banking as well as to co-operative legislation.

**EBF** (the European Banking Federation) is the voice of the European banking sector, bringing together 32 national banking associations in Europe that together represent a significant majority of all banking assets in Europe, with 3,500 banks - large and small, wholesale and retail, local and international - while employing approximately two million people. EBF members represent banks that make available loans to the European economy in excess of €20 trillion and that reliably handle more than 400 million payment transactions per day. Launched in 1960, the EBF is committed to a single market for financial services in the European Union and to supporting policies that foster economic growth.

**EFAMA** (the European Fund and Asset Management Association) is the voice of the European investment management industry, representing 28 member associations, 59 corporate members and 23 associate members. At end Q3 2019, total net assets of European investment funds reached EUR 17.2 trillion. These assets were managed by more than 62,500 investment funds, of which almost 34,000 were UCITS (Undertakings for Collective Investments in Transferable Securities) funds, with the remaining funds composed of AIFs (Alternative Investment Funds).

**ESBG** (European Savings and Retail Banking Group) represents the locally focused European banking sector, helping savings and retail banks in 21 European countries strengthen their unique approach that focuses on providing service to local communities and boosting SMEs. An advocate for a proportionate approach to banking rules, ESBG unites at EU level some 900 banks, which together employ more than 650,000 people driven to innovate at roughly 50,000 outlets. ESBG members have total assets of €5.3 trillion, provide €1 trillion in corporate loans (including to SMEs), and serve 150 million Europeans seeking retail banking services.



**IBFed** (International Banking Federation) was formed in 2004 to represent the combined views of its national banking associations. The IBFed collectively represents more than 18,000 banks, including more than two thirds of the largest 1,000 banks in the world. IBFed member banks play a crucial role in supporting and promoting economic growth by managing worldwide assets of over 75 trillion Euros, by extending consumer and business credit of over 40 trillion Euros across the globe, and by collectively employing over 6 million people. The IBFed represents every major financial centre and its members' activities take place globally. With its worldwide reach the IBFed is a key representative of the global banking industry, actively exchanging with international standard setters and global supervisory bodies on subjects with an international dimension or with an important impact on its members.

**ICI Global** carries out the international work of the Investment Company Institute, the leading association representing regulated funds globally. ICI's membership includes regulated funds publicly offered to investors in jurisdictions worldwide, with total assets of US\$31.8 trillion. ICI seeks to encourage adherence to high ethical standards, promote public understanding, and otherwise advance the interests of regulated investment funds, their managers, and investors. ICI Global has offices in London, Hong Kong, and Washington, DC.

**The IA** (Investment Association) champions UK investment management, a world-leading industry which helps millions of households save for the future while supporting businesses and economic growth in the UK and abroad. Our members range from smaller, specialist UK firms to European and global investment managers with a UK base. Collectively, they manage over £7.7 trillion for savers and institutions in the UK and beyond, such as pension schemes and insurance companies.

**Invest Europe** is the world's largest association of private capital providers. We represent Europe's private equity, venture capital and infrastructure investment firms, as well as their investors, including some of Europe's largest pension funds and insurers. Invest Europe's members take a long-term approach to investing in privately-held companies, from start-ups to established firms. They inject not only capital but dynamism, innovation and expertise. This commitment helps create healthy and sustainable companies across Europe, securing millions of jobs and delivering strong returns for leading pension funds and insurers whose members depend on them for their retirements.

**UK Finance** is the collective voice for the banking and finance industry. Representing more than 250 firms across the industry, it acts to enhance competitiveness, support customers and facilitate innovation. It works for and on behalf of its members to promote a safe, transparent and innovative banking and finance industry. It offers research, policy expertise, thought leadership and advocacy in support of its work. It provides a single voice for a diverse and competitive industry. Its operational activity enhances members' own services in situations where collective industry action adds value.