

SAINT CHRISTOPHER AND NEVIS

STATUTORY RULES AND ORDERS

No. 21 of 2016

**Saint Christopher and Nevis (Mutual Exchange of Information on Taxation
Matters) (Ireland) Order 2016**

In exercise of the power conferred by section 3 of the Saint Christopher and Nevis (Mutual Exchange of Information on Taxation Matters) Act, Cap. 20.60, the Minister makes the following Order:

[Published 28th July 2016, Official Gazette No. 37 of 2016]

1. Citation.

(1) This Order may be cited as the Saint Christopher and Nevis (Mutual Exchange of Information on Taxation Matters) (Ireland) Order, 2016.

2. Interpretation.

In this Order, “Act” means the Saint Christopher and Nevis (Mutual Exchange of Information on Taxation Matters) Act, Cap. 20.60.

3. Amendment of Second Schedule.

The Second Schedule of the Act is amended by inserting the following expression immediately after the expression “24. India”

“25. Ireland”

4. Amendment of Third Schedule.

The Third Schedule of the Act is amended by inserting the following new Part XXIV immediately after the end of Part XXIII

“PART XXIV

AGREEMENT

BETWEEN

SAINT CHRISTOPHER (SAINT KITTS) AND NEVIS

AND

IRELAND

FOR THE**EXCHANGE OF INFORMATION RELATING TO TAX MATTERS**

The Government of Saint Christopher (Saint Kitts) and Nevis and the Government of Ireland desiring to facilitate the exchange of information with respect to taxes have agreed as follows:

Article 1**Object and Scope of the Agreement**

The competent authorities of the Contracting Parties shall provide assistance through exchange of information that is foreseeably relevant to the administration and enforcement of the domestic laws of the Contracting Parties concerning the taxes covered by this Agreement. Such information shall include information that is foreseeably relevant to the determination, assessment and collection of such taxes, the recovery and enforcement of tax claims, or the investigation or prosecution of tax matters. Information shall be exchanged in accordance with the provisions of this Agreement and shall be treated as confidential in the manner provided in Article 8. The rights and safeguards secured to persons by the laws or administrative practice of the requested Party remain applicable to the extent that they do not unduly prevent or delay effective exchange of information.

Article 2**Jurisdiction**

A Requested Party is not obligated to provide information which is neither held by its authorities nor in the possession or control of persons who are within its territorial jurisdiction.

Article 3**Taxes Covered**

1. The taxes which are the subject of this Agreement are all taxes imposed or administered on the date of signature of the Agreement.
2. This Agreement shall also apply to any identical taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes. This Agreement shall also apply to any substantially similar taxes imposed after the date of signature of the Agreement in addition to or in place of the existing taxes if the competent authorities of the Contracting Parties so agree. Furthermore, the taxes covered may be expanded or modified by mutual agreement of the Contracting Parties in the form of an exchange of letters. The Competent authorities of the Contracting Parties shall notify each other of any substantial changes to the taxation and related information gathering measures covered by the Agreement.

Article 4**Definitions**

1. For the purposes of this Agreement, unless otherwise defined:

- (a) the term “Contracting Party” means Saint Kitts and Nevis or Ireland as the context requires;
- (b) the term “Saint Christopher (Saint Kitts) and Nevis” means the twin island Federation of Saint Christopher (Saint Kitts) and Nevis and, when used in the geographical sense, means the territories of Saint Kitts and Nevis;
- (c) the term “Ireland” includes any area outside the territorial waters of Ireland which has been or may hereafter be designated, under the laws of Ireland concerning the Exclusive Economic Zone and the Continental Shelf, as an area within which Ireland may exercise such sovereign rights and jurisdiction as are in conformity with international law;
- (d) the term “competent authority” means
 - (i) in the case of Saint Kitts and Nevis, the Financial Secretary or the Financial Secretary’s authorised representative;
 - (ii) in the case of Ireland, the Revenue Commissioners or their authorised representative;
- (e) the term “person” includes an individual, a company and any other body of persons;
- (f) the term “company” means any body corporate or any entity that is treated as a body corporate for tax purposes;
- (g) the term “publicly traded company” means any company whose principal class of shares is listed on a recognised stock exchange provided its listed shares can be readily purchased or sold by the public. Shares can be purchased or sold “by the public” if the purchase or sale of shares is not implicitly or explicitly restricted to a limited group of investors;
- (h) the term “principal class of shares” means the class or classes of shares representing a majority of the voting power and value of the company;
- (i) the term “recognised stock exchange” means any stock exchange agreed upon by the competent authorities of the Contracting Parties;
- (j) the term “collective investment fund or scheme” means any pooled investment vehicle, irrespective of legal form. The term “public collective investment fund or scheme” means any collective investment fund or scheme provided the units, shares or other interests in the fund or scheme can be readily purchased, sold or redeemed by the public. Units, shares or other interests in the fund or scheme can be readily purchased, sold or redeemed “by the public” if the purchase, sale or redemption is not implicitly or explicitly restricted to a limited group of investors;
- (k) the term “tax” means any tax to which the Agreement applies;
- (l) the term “applicant Party” means the Contracting Party requesting information;
- (m) the term “requested Party” means the Contracting Party requested to provide information;
- (n) the term “information gathering measures” means laws and administrative or judicial procedures that enable a Contracting Party to obtain and provide the requested information;

- (o) the term “information” means any fact, statement or record in any form whatever;
 - (p) the term “criminal tax matters” means tax matters involving intentional conduct whether before or after the entry into force of this Agreement which is liable to prosecution under the criminal laws of the applicant Party;
 - (q) the term “criminal laws” means all criminal laws designated as such under domestic law irrespective of whether contained in the tax laws, the criminal code or other statutes.
2. As regards the application of this Agreement at any time by a Contracting Party, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that Party, any meaning under the applicable tax laws of that Party prevailing over a meaning given to the term under other laws of that Party.

Article 5

Exchange of Information Upon Request

1. The competent authority of the requested Party shall provide upon request 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 such conduct occurred in 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, that Party shall use all relevant information gathering measures to provide the applicant Party with the information requested, notwithstanding that the requested Party may not need such information for its own tax purposes.
3. If specifically requested by the competent authority of an applicant 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 Contracting Party shall ensure that its competent authorities for the purposes specified in Article 1 of the Agreement, have the authority to obtain and provide upon request:
 - a) information held by banks, other financial institutions, and any person acting in an agency or fiduciary capacity including nominees and trustees;
 - b) information regarding the ownership of companies, partnerships, trusts, foundations, “Anstalten” and other persons, including, within the constraints of Article 2, ownership information on all such persons in an ownership chain; in the case of trusts, information on settlors, trustees and beneficiaries; and in the case of foundations, information on founders, members of the foundation council and beneficiaries. Further, this Agreement does not create an obligation on the Contracting Parties to obtain or provide ownership information with respect to publicly traded companies or public collective investment funds or schemes unless such information can be obtained without giving rise to disproportionate difficulties.

5. The competent authority of the applicant Party shall provide the following information to the competent authority of the requested Party when making a request for information under the Agreement to demonstrate the foreseeable relevance of the information to the request:
 - a) the identity of the person under examination or investigation;
 - b) a statement of the information sought including its nature and the form in which the applicant Party wishes to receive the information from the requested Party;
 - c) the tax purpose for which the information is sought, including a statement of the law imposing the tax to which the request relates;
 - d) grounds for believing that the information requested is held in the requested Party or is in the possession or control of a person within the jurisdiction of the requested Party;
 - e) to the extent known, the name and address of any person believed to be in possession of the requested information;
 - f) a statement that the request is in conformity with the law and administrative practices of the applicant Party, that if the requested information was within the jurisdiction of the applicant Party then the competent authority of the applicant Party would be able to obtain the information under the laws of the applicant Party or in the normal course of administrative practice and that it is in conformity with this Agreement;
 - g) a statement that the applicant Party has pursued all means available in its own territory to obtain the information, except those that would give rise to disproportionate difficulties.
6. The competent authority of the requested Party shall forward the requested information as promptly as possible to the applicant 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 applicant Party and shall notify the competent authority of the applicant Party of deficiencies in the request, if any, within 60 days of the receipt of the request.
 - b) If the competent authority of the requested Party has been unable to obtain and provide the information within 90 days of receipt of the request, including if it encounters obstacles in furnishing the information or it refuses to furnish the information, it shall immediately inform the applicant Party, explaining the reason for its inability, the nature of the obstacles or the reasons for its refusal

Article 6

Tax Examinations Abroad

1. A Contracting Party may allow representatives of the competent authority of the other Contracting Party to enter the territory of the first-mentioned Party to interview individuals and examine records with the written consent of the persons concerned. The competent authority of the second-mentioned Party shall notify the competent authority of the first-mentioned Party of the time and place of the meeting with the individuals concerned.

2. At the request of the competent authority of one Contracting Party, the competent authority of the other Contracting Party may allow representatives of the competent authority of the first-mentioned Party to be present at the appropriate part of a tax examination in the second-mentioned Party.
3. If the request referred to in paragraph 2 is acceded to, the competent authority of the Contracting Party conducting the examination shall, as soon as possible, notify the competent authority of the other Party about the time and place of the examination, the authority or official designated to carry out the examination and the procedures and conditions required by the first-mentioned Party for the conduct of the examination. All decisions with respect to the conduct of the tax examination shall be made by the Party conducting the examination.

Article 7

Possibility of Declining a Request

1. The requested Party shall not be required to obtain or provide information that the applicant Party would not be able to obtain under its own laws for purposes of the administration or enforcement of its own tax laws. The competent authority of the requested Party may decline to assist where the request is not made in conformity with this Agreement.
2. The provisions of this Agreement shall not impose on a Contracting Party the obligation to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process. Notwithstanding the foregoing, information of the type referred to in Article 5, paragraph 4 shall not be treated as such a secret or trade process merely because it meets the criteria in that paragraph.
3. The provisions of this Agreement shall not impose on a Contracting Party the obligation to obtain or provide information, which would reveal confidential communications between a client and an attorney, solicitor or other admitted legal representative where such communications are:
 - (a) produced for the purposes of seeking or providing legal advice; or
 - (b) produced for the purposes of use in existing or contemplated legal proceedings.
4. The requested Party may decline a request for information if the disclosure of the information would be contrary to public policy (*ordre public*).
5. A request for information shall not be refused on the ground that the tax claim giving rise to the request is disputed.
6. The requested Party may decline a request for information if the information is requested by the applicant Party to administer or enforce a provision of the tax law of the applicant Party, or any requirement connected therewith, which discriminates against a national or citizen of the requested Party as compared with a national or citizen of the applicant Party in the same circumstances.

Article 8

Confidentiality

Any information received by a Contracting Party under this Agreement shall be treated as confidential and may be disclosed only to persons or authorities (including courts and administrative bodies) in the jurisdiction of the Contracting Party concerned with the assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, the taxes covered by this Agreement. Such persons or authorities shall use such information only for such purposes. They may disclose the information in public court proceedings or in judicial decisions. The information may not be disclosed to any other person or entity or authority or any other jurisdiction without the express written consent of the competent authority of the requested Party.

Article 9

Costs

Incidence of costs incurred in providing assistance shall be agreed by the Contracting Parties.

Article 10

Implementation Legislation

The Contracting Parties shall, on entry into force of this Agreement, have any legislation necessary to comply with, and give effect to, the terms of the Agreement.

Article 11

Other International Agreements or Arrangements

The possibilities of assistance provided by this Agreement do not limit, nor are they limited by, those contained in existing international agreements or other arrangements between the Contracting Parties which relate to co-operation in tax matters.

Article 12

Mutual Agreement Procedure

1. Where difficulties or doubts arise between the Contracting Parties regarding the implementation or interpretation of the Agreement, the competent authorities shall endeavour to resolve the matter by mutual agreement.
2. In addition to the agreements referred to in paragraph 1, the competent authorities of the Contracting Parties may mutually agree on the procedures to be used under Articles 5 and 6.
3. The competent authorities of the Contracting Parties may communicate with each other directly for purposes of reaching agreement under this Article.
4. The Contracting Parties may also agree on other forms of dispute resolution.

Article 13

Entry into Force

1. Each of the Contracting Parties shall notify the other in writing of the completion of the procedures required by its law for the entry into force of this Agreement.
2. The Agreement shall enter into force on the thirtieth day after the receipt of the later of these notifications and shall thereupon have effect:

- (a) for criminal tax matters, from the date of entry into force; and
- (b) for all other matters covered in Article 1, on that date, but only in respect of taxable periods beginning on or after that date, or where there is no taxable period, all charges to tax arising on or after that date.

Article 14

Termination

1. Either Contracting Party may terminate the Agreement by serving a notice of termination either through diplomatic channels or by letter to the competent authority of the other Contracting Party.
2. Such termination shall become effective on the first day of the month following the expiration of a period of six months after the date of receipt of notice of termination by the other Contracting Party.
3. Following termination of the Agreement the Contracting Parties shall remain bound by the provisions of Article 8 with respect to any information obtained under the Agreement.

In witness whereof, the undersigned, being duly authorised thereto, have signed the Agreement.

Done, in duplicate, this 20th day of July, 2015

For the Government of Saint Christopher
(Saint Kitts) and Nevis:
Dr. Kevin Isaac

For the Government of Ireland:
Mr. Daniel Mulhall

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE
COMPETENT AUTHORITY OF IRELAND
AND
THE COMPETENT AUTHORITY OF SAINT CHRISTOPHER (SAINT KITTS)
AND NEVIS
CONCERNING
THE APPLICATION OF THE AGREEMENT BETWEEN IRELAND AND
SAINT CHRISTOPHER (SAINT KITTS) AND NEVIS
FOR THE EXCHANGE OF INFORMATION RELATING TO TAX MATTERS**

The Competent Authorities of Ireland and Saint Christopher (Saint Kitts) and Nevis, desiring to facilitate the exchange of information relating to taxes, have reached the following understanding:

1. This Memorandum of Understanding is not intended to create legal relations either in international law or the domestic law of Ireland or of Saint Christopher (Saint Kitts) and Nevis.

Costs

2. Pursuant to Article 9 of the Agreement between Ireland and Saint Christopher (Saint Kitts) and Nevis for the Exchange of Information Relating to Tax Matters, it is mutually agreed that costs that would be incurred in the ordinary course of administering the domestic tax laws of the requested Party will be borne by the requested Party when such costs are incurred for the purpose of responding to a request for information. Such ordinary costs would normally cover internal administration costs and any minor external costs.
3. All other costs that are not ordinary costs are considered extraordinary costs and will be borne by the requesting Party. Examples of extraordinary costs include, but are not limited to, the following:
 - (a) reasonable fees charged by third parties for carrying out research;
 - (b) reasonable fees charged by third parties for copying documents;
 - (c) reasonable costs of engaging experts, interpreters, or translators;
 - (d) reasonable costs of conveying documents to the Requesting Party;
 - (e) reasonable litigation costs of the requested Party in relation to a specific request for information; and
 - (f) reasonable costs for obtaining depositions or testimony.
4. The Competent Authorities will consult each other in any particular case where extraordinary costs are likely to exceed US\$500 to determine whether the requesting Party will continue to pursue the request and bear the cost.
5. In the event that the Competent Authority of Saint Christopher (Saint Kitts) and Nevis finds it difficult or impossible to comply with a single request or multiple requests for information from the Competent Authority of Ireland because of limited staff or financial resources, the Competent Authorities will consult, and if mutually decided, the Competent Authority of Ireland will bear the costs associated with complying with a request or multiple requests.

Prejudicial or Restrictive Measures

6. Neither of the Contracting Parties shall apply prejudicial or restrictive measures based on harmful tax practices to residents or nationals of either Contracting Party so long as this Agreement is in force and effective.
7. A “prejudicial or restrictive measure based on harmful tax practices” is a measure applied by one Contracting Party to residents or nationals of either Contracting Party on the basis that the other Contracting Party does not engage in effective exchange of information and/or because it lacks transparency in the operation of its laws, regulations or administrative practices, or on the basis of no or nominal taxes and one of the preceding criteria.
8. Without limiting the generality of paragraph 7 the term “prejudicial or restrictive measure” includes the denial of a deduction, credit or exemption, the imposition of a tax, charge or levy, or special reporting requirements.

- 9 A “prejudicial or restrictive measure” does not include generally applicable measures, applied by either Contracting Party, such as transfer pricing rules, thin capitalisation rules, or general information reporting rules that relate to the disclosure of information from other countries or jurisdictions, or transactions with such countries or jurisdictions, such as record keeping requirements imposed on foreign owned subsidiaries to ensure access to information concerning parent companies.

Entry into Effect

10. This Memorandum of Understanding will come into effect on the entry into force of the Agreement between Ireland and Saint Christopher (Saint Kitts) and Nevis for the Exchange of Information Relating to Tax Matters.
11. The Competent Authorities may amend this Memorandum of Understanding at any time in writing. The amended Memorandum of Understanding will come into effect on the date agreed in writing between the Competent Authorities.
12. This Memorandum of Understanding will remain in effect until terminated by either Competent Authority. Notification of termination can be made at any time and must be in writing.

For the Competent Authority of Ireland:

For the Competent Authority of
Saint Christopher (Saint Kitts) and Nevis:

Mr. Niall Cody _____

Mrs. Hilary Hazel _____

Date: 24th November 2015

Date: 21st April 2015

Made this 23rd day of June, 2016.

TIMOTHY HARRIS
Minister responsible for Finance