Global Forum on Transparency
and Exchange of Information for Tax Purposes

Supplementary Peer Review Report
Phase 1
Legal and Regulatory Framework

LIECHTENSTEIN

OECD

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About the Global Forum

The Global Forum on Transparency and Exchange of Information for Tax Purposes is the multilateral framework within which work in the area of tax transparency and exchange of information is carried out by over 100 jurisdictions, which participate in the Global Forum on an equal footing.

The Global Forum is charged with in-depth monitoring and peer review of the implementation of the international standards of transparency and exchange of information for tax purposes. These standards are primarily reflected in the 2002 OECD *Model Agreement on Exchange of Information on Tax Matters* and its commentary, and in Article 26 of the OECD *Model Tax Convention on Income and on Capital* and its commentary as updated in 2004. The standards have also been incorporated into the UN *Model Tax Convention*.

The standards provide for international exchange on request of foreseeably relevant information for the administration or enforcement of the domestic tax laws of a requesting party. Fishing expeditions are not authorised but all foreseeably relevant information must be provided, including bank information and information held by fiduciaries, regardless of the existence of a domestic tax interest or the application of a dual criminality standard.

All members of the Global Forum, as well as jurisdictions identified by the Global Forum as relevant to its work, are being reviewed. This process is undertaken in two phases. Phase 1 reviews assess the quality of jurisdictions' legal and regulatory framework for the exchange of information, while Phase 2 reviews look at the practical implementation of that framework. Some Global Forum members are undergoing combined – Phase 1 plus Phase 2 – reviews. The Global Forum has also put in place a process for supplementary reports to follow-up on recommendations, as well as for the ongoing monitoring of jurisdictions following the conclusion of a review. The ultimate goal is to help jurisdictions to effectively implement the international standards of transparency and exchange of information for tax purposes.

All review reports are published once approved by the Global Forum and they thus represent agreed Global Forum reports.

For more information on the work of the Global Forum on Transparency and Exchange of Information for Tax Purposes, and for copies of the published review reports, please refer to *www.oecd.org/tax/transparency* and *www.eoi-tax.org*.

Executive Summary

1. This is a supplementary report on the amendments made by Liechtenstein to its legal and regulatory framework for transparency and exchange of information for tax purposes. It complements the original Phase 1 Peer Review report on Liechtenstein, which considered the legal and regulatory framework in place as at May 2011 and was adopted and published by the Global Forum in August 2011 (August 2011 report).

2. This supplementary report considers the legislative amendments made by Liechtenstein since May 2011 to address the deficiencies identified in the August 2011 report. These amendments pertain to the determination and recommendations made in respect of availability of accounting information (element A.2). Liechtenstein has also proposed changes in its laws to provide a mechanism to identify the owners of bearer shares. Liechtenstein is of the view that the amendments made to its legal framework are such that element A.2 should now be determined to be "in place" and that it has also taken significant steps to address the deficiencies identified regarding availability of ownership information. As a result it considers that it has satisfied the conditions stated in paragraph 7 of the August 2011 report, and that its Phase 2 review should be conducted as scheduled during the second half of 2012.

3. Liechtenstein committed to the international standards of transparency and exchange of information for tax purposes on 12 March 2009 and since then it has been actively engaged in developing a network of international agreements which allow for exchange of information for tax purposes. As of July 2012, Liechtenstein had signed agreements with 25 jurisdictions of which 22 are in force. In general, these agreements provide for exchange of information to the international standards. In respect of seven agreements some deviations from the standard were identified in the August 2011 report and, while Liechtenstein reports that it has initiated domestic procedures to remove deficiencies, these have not yet been rectified.

4. Since the adoption of August 2011 report, Liechtenstein has amended the Persons and Companies Law (PGR) to address deficiencies in relation to element A.2. The amendments provide that all relevant entities and arrangements are now subject to requirements to maintain accounting records in

accordance with the standard. However, these amendments, while in force, will apply for the first time to financial years beginning after 31 December 2013.

5. Liechtenstein is in the middle of a Parliamentary process of enacting amendments to the PGR which would ensure that bearer shares can only be issued by joint stock companies, limited partnerships with share capital and SEs. The amended law would also require all bearer shares to be held by a custodian, who would be required to maintain information on the holders of such bearer shares. These provisions were introduced in Parliament for a first reading in June 2012 and are likely to be in force before the end of 2012 but transitional provisions would apply till 31 December 2013. The proposed law does not apply to investment companies and companies listed on the stock exchange. Liechtenstein states that other mechanisms ensure availability of ownership information of bearer shares issued by these entities.

6. In respect of access to information, the domestic framework gives the Fiscal Authority powers to access and exchange information with its foreign counterparts. The Phase 1 review assessed Element B.1 to be in place.

7. The changes introduced by Liechtenstein in its legal and regulatory framework after it committed to the international standard in March 2009 and particularly since the adoption of the August 2011 report shows that Liechtenstein continues to make progress in implementing the international standards for transparency and exchange of information. The August 2011 report stipulated that Liechtenstein would proceed to its Phase 2 review on the condition that it takes necessary measures to address the deficiencies identified regarding availability of accounting information and takes significant steps to address the deficiencies identified regarding availability of ownership information.

8. Considering the steps undertaken by Liechtenstein to remedy the deficiencies highlighted in the 2011 Report adopted by the Global Forum in August 2011, Liechtenstein can now move to Phase 2. However, as the accounting law (and proposed law on bearer shares) will not be fully applicable until 2014, it is proposed that Phase 2 review be rescheduled to take place in second half of 2014. In the meantime, a follow up report on the steps undertaken by Liechtenstein to answer the recommendations remaining to be implemented should be provided to the PRG within six months of the adoption of this report.

Introduction

Information and methodology used for the peer review of Liechtenstein

9. This supplementary peer review report was prepared pursuant to paragraph 58 of the Global Forum's *Methodology for Peer Reviews and Non-Member Reviews*, and considers recent changes to the legal and regulatory framework of the Principality of Liechtenstein (hereinafter 'Liechtenstein') based on the international standards for transparency and exchange of information as described in the Global Forum's *Terms of Reference to Monitor and Review progress Towards Transparency and Exchange of Information for Tax Purposes*. The assessment was based on information available to the assessment team including the laws, regulations, and exchange of information arrangements in force or effect as at July 2012, and information supplied by Liechtenstein and partner jurisdictions and other relevant sources. It follows the Phase 1 peer review report on Liechtenstein which was adopted and published by the Global forum in August 2011.

10. The *Terms of Reference* breaks down the standards of transparency and exchange of information into 10 essential elements and 31 enumerated aspects under three broad categories: (A) availability of information; (B) access to information; and (C) exchange of information. This review assesses Liechtenstein's legal and regulatory framework against these elements and each of the enumerated aspects. In respect of each essential element a determination is made that: (i) the element is in place; (ii) the element is in place but certain aspects of the legal implementation of the element need improvement; or (iii) the element is not in place. These determinations are accompanied by recommendations for improvement where relevant. This report considers changes in Liechtenstein legal and regulatory framework which relate to the availability of accounting information and exchange of information mechanisms.

11. The supplementary review was conducted by an assessment team which consisted of two expert assessors and two representatives of the Global Forum Secretariat: Ms. Sarita de Geus, Senior Policy Advisor, International Tax Law at the Directorate-General for the Tax and Customs Administration

of the Netherlands Ministry of Finance and Mr. Mustupha Mosafeer, Director, Mauritius Revenue Authority, Mauritius; with Mr. Sanjeev Sharma and Mr. Radovan Zidek from the Secretariat to the Global Forum.

12. An updated summary of determinations and factors underlying recommendations in respect of the 10 essential elements of the *Terms of Reference*, which takes into account the conclusions of this supplementary review, is set out at the end of this report.

Compliance with the Standards

A. Availability of Information

Overview

13. Effective exchange of information requires the availability of reliable information. This part of the report reviews the legal and regulatory framework now in place in Liechtenstein as regards the availability of ownership information, accounting records and banking information.

14. Liechtenstein's laws provide for different types of corporate and non-corporate entities. The most commonly used entities are companies limited by shares, trusts, foundations, establishments and trust enterprises. Establishments (Anstalten) which are a feature of Liechtenstein are generally used along with foundations and trusts to manage private assets.

15. The August 2011 report found element A.1 (ownership information) and element A.2 (Accounting information) to be "not in place".

16. As regards availability of ownership information, Liechtenstein is in the process of amending the PGR to implement the recommendations relating to bearer shares and providing appropriate penalties for companies that fail to maintain share registers. The draft amending law was in Parliament for a first reading in June 2012 and is very likely to be adopted after the summer break of 2012. On the basis of an analysis of the draft law it would appear that Liechtenstein will establish a mechanism to allow the identification of owners of bearer shares. This new mechanism does not apply to bearer shares issued by investment companies and companies listed on the stock exchange.

Liechtenstein reports that other mechanisms ensure availability of ownership information on bearer shares issued by these entities but such mechanisms have not been analysed in this report. As the law is still in the middle of the Parliamentary process, there is no change in the determination for element A.1.

17. The August 2011 report identified significant deficiencies in relation to the maintenance of accounting records. Liechtenstein has amended the PGR so that all relevant entities and arrangements are now obliged to keep accounting records. Accounting records are required to be retained for a period of more than 5 years. The determination for element A.2 is upgraded from "not in place" to "in place".

18. Liechtenstein's laws ensure the availability of banking information in respect of all account holders.

A.1. Ownership and identity information

Jurisdictions should ensure that ownership and identity information for all relevant entities and arrangements is available to their competent authorities.

19. The August 2011 report found that element A.1 is "not in place". The steps taken by Liechtenstein since adoption of its August 2011 report concerning availability of ownership and identity information for relevant entities and arrangements are discussed in this section of the supplementary report.

Bearer sharers

20. The August 2011 report found that joint stock companies, limited partnerships with share capital, co-operatives, Societas Europaea (SEs), trusts and trust enterprises in Liechtenstein could issue bearer shares, bearer bonds and trust certificates and there were insufficient mechanisms in place that ensure the information on the identity of their owners.

21. Liechtenstein in its letter of 20 June 2012 requesting a supplementary report stated that the Liechtenstein Government tasked an inter-ministerial committee that included experts from the relevant business associations to develop a proposal to implement the recommendation in relation to bearer shares that would be in line with the international standards set by the Global Forum and the FATF. In February 2012, the Government launched the official consultation procedure with a proposal to amend the Liechtenstein company law (PGR). The Government has now submitted the draft law to Parliament on 29 May 2012. It was discussed by the Parliament in its session on 22 June 2012. Adoption by the Parliament is foreseen after the summer break, in order to ensure its entry into force before the end of 2012.

22. The proposed amendments to the PGR provide that:

- Bearer shares can only be issued by joint stock companies, limited partnerships with share capital and SEs.
- Bearer securities of other associations, trust enterprises and trusteeships which are connected to a membership or purchase right shall be destroyed or converted to registered securities by December 31, 2013. After the expiry of said period, no more rights may be claimed on the basis of such shares.

23. As regards joint stock companies, limited partnerships with share capital and SEs, under the proposed new law, all bearer shares, renewal coupons and dividend warrants must be deposited with a depository. This obligation does not apply to bearer shares of companies listed on stock exchange and bearer shares of undertakings for collective investments in securities as well as investment funds and investment companies (Art. 326a). However, the international standard does not require availability of ownership information in respect of certain publicly-traded entities[1] if it gives rise to disproportionate difficulties.

24. A company must appoint a depository and if the supervisory board does not have a quorum, the appointment will be made by the Regional Court (Art. 326b). This depository must fulfil at least one of the four following requirements:

- be subject to a Due Diligence Act or any foreign rule or supervision which is equivalent to Directive 2005/60/EC;
- fulfil the prerequisites under Art. 180.a.;
- be a legal representative of the company or be subject to supervision by the Financial market Authority; or
- have its residence or place of business in Liechtenstein, provided that the pre-requisites under the above items are not fulfilled.

25. The depository must be identified in the Commercial Register (Art. 326b) and must maintain a register in which the following information for each bearer share is entered: the shareholder's name, birth date, nationality and residence or legal business name and domicile; the date of deposit. The register is required to be kept at the company's place of business (Art. 326c). The shareholder is entitled to view the data concerning himself which has been entered in the register. National courts and public authorities, within their area of competence, may view the register and produce copies of register entries (Art. 326d).

1. See footnote 5 to the Terms of Reference.

26. The only circumstances under which a depository can handover the bearer shares are first; to their successor after their function as a depository ends or, second; to the company when either the bearer shares are converted to registered shares or they are redeemed, withdrawn or amortised (Art. 326e).

27. The shareholder's rights arising from a bearer share may only be claimed if the share has been deposited with the depository and all information on the bearer shareholder has been registered (Art. 326f).

28. The transfer of a bearer share becomes effective only after the transferee is registered in the register maintained by the depository. Identification information on the transferee must be provided by the shareholder who intends to transfer bearer shares (Art. 326h).

29. Compliance with the duties as a depository will be examined as part of the mandatory annual audit or review and confirmed by the person who performed the audit or review. Deficiencies must be notified to the Land and Commercial Registry and if deficiencies are not remedied by the depository, the Land and Commercial Registry must report to the Regional Court (Art. 326i).

30. The Regional Court, following a report by the Land and Commercial Registry may impose a fine up to CHF 10 000; (i) on a depository which breaches obligations to properly maintain the register; (ii) a depository which issues an incorrect confirmation of a deposit of bearer shares; (iii) a depository who hands over bearer shares in breach of the law, and (iv) a person who has performed an audit or review and issues an incorrect confirmation or fails to submit a report of deficiencies. This fine may be imposed repeatedly until the condition required by law has been restored. A maximum fine of CHF 5 000 can be imposed for negligence (§§66c SchlT PGR).

31. Bearer shares of joint stock companies, limited joint stock-partnerships and European public companies (SEs) which were issued prior to entry into force of the proposed Act must be deposited with a depository for registration by 31 December 2013. After the expiry of that period, voting rights may no longer be claimed on the basis of unregistered bearer shares. However, a temporary loss of voting rights might not ensure that the shares will be deposited in all cases. As the law is still under consideration by the Parliament, it is suggested that Liechtenstein ensure that information on the owners of bearer shares is available in all cases after 2013 either by their deposit or other effective means as, for example, in the case of other associations and trust enterprises where all rights are forfeited.

32. Bearer securities of other associations, trust enterprises and trusteeship which are connected to a membership or purchase rights must be destroyed or converted to registered securities by 31 December 2013 and after expiry of this period, no more rights be may be claimed on the basis of such shares.

33. The proposed provisions concerning deposit of bearer shares with a depository and keeping of information of the owners of such shares by the depository do not apply to bearer shares of companies listed on the stock exchange and bearer shares of undertakings for collective investments in securities as well as investment funds and investment companies (Art. 326a). Liechtenstein reports that there are other mechanisms to identify owners of bearer shares issued by these entities. These mechanisms include identification requirements under the Disclosure Act which is based on the European Transparency Directive 2004/109/EC, under the Law on Undertakings for Collective Investments in Transferable Securities, the Law on Investment Undertakings and Ordinances to these laws as well as AML requirements under the Due Diligence Act. The requirements to maintain information pursuant to these rules will be analysed in conjunction with an analysis of the proposed law once it is in force.

Penalties for failure to maintain up-to-date share registers

34. The August 2011 report noted that appropriate penalties should be provided for companies that fail to maintain share registers up to date and Liechtenstein should ensure that it can access information in these registers in a timely fashion.

35. The draft law makes it compulsory for a company to maintain a register of the owners of the registered shares containing the name, birth date, nationality and place of residence, or legal business name and domicile.

36. Further, compliance with the duty to maintain a share register must be examined as a part of the annual audit or review, which is mandatory by law and it must be confirmed in the audit report by the person performing the audit or review. In case of any deficiencies, the person performing the review must immediately submit a report to the Land and Commercial Registry who must request the company to remedy the deficiencies and fix a deadline for it. The Land and Commercial Registry must report to the Regional court, if the deficiencies are not remedied.

37. The share register must be kept at the company's seat in Liechtenstein and provisions of Article 1059 concerning duty to keep and retain business records apply. National courts and public authorities, within their area of competence may view the share register and produce copies of the share register (Arts 329b).

Ownership information in respect of trusts and trust enterprises

38. The August 2011 report recommended that Liechtenstein should ensure that information is maintained on all beneficiaries and trust enterprises, as information on beneficiaries with less than a 25% interest in trusts and trust enterprises is not required to be maintained.

39. Liechtenstein has reported that it plans to clarify this point in an ordinance during the summer of 2012.

Ownership information for foreign companies

40. The August 2011 report also recommended that Liechtenstein should ensure that identity information on the owners of foreign companies that are resident for tax purposes in Liechtenstein is available to its competent authority, as this information may not be available under certain circumstances.

41. Liechtenstein has reported that its authorities are analysing this recommendation with a view to determine what actions would be feasible.

Conclusion

42. The August 2011 report has four recommendations under element A.1. Liechtenstein has started taking legislative steps for implementing two recommendations dealing with ownership information on shares including bearer shares and enforcement provisions for not maintaining share registers up to date, and the amending law is at the stage of being passed by Parliament. If enacted in its present form, the bill goes some way to address these recommendations. The proposed law does not apply to companies listed on the stock exchange and investment companies but Liechtenstein is of the view that other identification mechanisms ensure availability of information on the owners of bearer shares issued by these entities. No action has been taken to address the recommendations in respect of ownership information on trusts and foreign companies.

Determination and factors underlying recommendations

Phase 1 determination	
The element is not in place.	
Factors underlying recommendations	**Recommendations**
Joint stock companies, limited partnerships with share capital, co-operatives, Societas Europaea, trusts and trust enterprises are able to issue bearer shares, bearer bonds and trust certificates and there are currently insufficient mechanisms in place that ensure the availability of information allowing for identification of their owners.	Liechtenstein should take necessary measures to ensure that appropriate mechanisms are in place to identify the owners of bearer shares in all instances.
There are insufficient mechanisms for ensuring that companies keep share registers and update them.	Appropriate penalties should be provided for companies that fail to maintain share registers up to date and Liechtenstein should ensure that it can access information in these registers in a timely fashion.
Information regarding the ownership of foreign companies that are resident for tax purposes in Liechtenstein may, under certain circumstances, not be available.	Liechtenstein should ensure that identity information on the owners of foreign companies that are resident for tax purposes in Liechtenstein is available to its competent authority.
Information on beneficiaries with less than a 25% interest in trusts and trust enterprises is not required to be maintained.	Liechtenstein should ensure that information is maintained on all beneficiaries and settlors of trusts and trust enterprises.

A.2. Accounting records

Jurisdictions should ensure that reliable accounting records are kept for all relevant entities and arrangements.

General requirements (ToR A.2.1), Underlying documentation (ToR A.2.2) and 5-Year retention period requirements (Tor A.2.3)

43. The August 2011 report found that all legal entities obliged to register and operate according to commercial principles are obliged to keep proper accounting records. Similar requirements also apply to all joint stock companies (AG), limited partnerships with share capital (KG), companies

with limited liability (GmbH), European companies, unlimited partnerships (Kollektivgesellschaften) and limited partnerships (Kommanditgesellschaften) which have companies as unlimited partners, irrespective of whether they carry on commercial activities (see paragraph 169 of the August 2011 report). The August 2011 report found that entities with legal personality that do not carry on commercial activities, other than foundations, are not obliged to maintain accounting records in accordance with the standard under either commercial law or tax law. Activities of investment and management of assets, holding of shares or other rights are not considered as commercial activity (Art. 107 PGR). Information on types of these entities and their numbers is provided in paragraph 149 of the August 2011 report.

44. Paragraph 171 of the August 2011 report refers to deficiencies concerning the accounting record keeping obligations of trusts, trust enterprises, establishments that do not carry on commercial activities and some forms of companies that qualify for a private asset structure (PAS) status under tax law. These entities were also not obliged to keep underlying documentation consistent with the standard and there was no requirement to retain accounting records and underlying documentation for a minimum period of five years.

45. Liechtenstein has amended Articles 1045, 251a, 923, 182a and 182b and § 66 of the Schedule (SchlT) of the PGR by Law of 22 March 2012 to implement the recommendations. These amendments entered into force on 27 April 2012. The scope of these amendments and effect on recommendations and determination is discussed below.

Article 1045

46. Articles 1045 to 1062a of the PGR prescribe general rules of accounting in Liechtenstein. Article 1045 concerns financial accountability and is the central obligation regarding the maintenance of accounting records. It provides that all legal entities obliged to register in the Public Registry (Art 945) and which operate according to commercial principles (Art 107) must undertake proper accounting. It also provides that all joint stock companies, limited partnerships with share capital, companies with limited liability, unlimited partnerships and limited partnerships which have companies as limited partners must also undertake proper accounting, regardless of whether they undertake commercial activities. Legal entities required to keep proper accounting are subject to obligations concerning Business Books (Article 1046), requirement to prepare financial statements (Arts.1048 to 1058) and duty of keeping and retention of business records (Art. 1059). The August 2011 report concluded that the rules of proper accounting under Liechtenstein law were in accordance with the standard.

47. Liechtenstein has enacted two amendments in Article 1045. The first amendment is made in paragraph 1 by adding the words "or name" and this now reads as, " Anyone under an obligation to register their company *or name* in the public register (Article 945) and who carries on a business run on commercial principles (Article 107) is obliged to comply with the principles of proper accounting". Therefore, the revised provisions also apply to anyone who registers a name and operates according to commercial principles and in particular may apply to associations which carry a name and not a company (Firma).

48. The second amendment adds a new paragraph 3 to Article 1045 which provides:

> *"Legal entities not under an obligation to comply with the principles of proper accounting pursuant to paragraphs 1 and 2 shall, taking into consideration the principles of proper accounting, keep appropriate records and retain necessary documents, which are reasonable in the financial circumstances, through which the course of business and the development of the assets can be reconstructed; special statutory regulations shall remain reserved. Article 1059 shall apply accordingly to the keeping and retention of records and documents."*

49. The new provisions are inserted to cover all legal entities not captured under the provisions of paragraphs 1 and 2 of Article 1045 *i.e.* those which are not obliged to undertake proper accounting. They are particularly directed to companies and establishments not carrying on commercial activities and include forms of companies that qualify for PAS status under tax law. The new principles envisage the keeping of suitable records and the preservation of bills and receipts appropriate to the entities financial circumstances from which it should be possible to see the course of business transactions and the development of assets. As entities are required to take into consideration the principles of proper accounting, they would be obliged to have regard to all of the principles stated in Arts 1046 through 1058. Liechtenstein has clarified that, the legal clause "special statutory regulations shall remain reserved" in Article 1045(3) of the PGR is intended to make clear that any special duties to keep business documents or to produce reports stipulated by other laws/legal principles do still apply, for example Articles 4, 5 of the Disclosure Act etc. This also covers any stricter obligations that may be stipulated by the law in future.

50. It has been expressly stated that provisions of Article 1059 also apply to these entities. Article 1059 prescribes obligations to keep business books and accounting documents and business correspondence for 10 years.

Article 182a(2)

51. Paragraph 161 of the August 2011 report discussed provisions of Article 182a of the PGR. A new subsection is added to this Article to provide that members of administration must ensure that the account books (Article 1046) or records and documents (Article 552(26), Article 1045(3)) must be available at the registered office of the legal entity within a reasonable period of time. The Parliamentary session summary, which is part of the official records, explains that the term "reasonable period of time" is to be interpreted on a case by case basis depending on the time normally needed to transport the documents between the respective two places.

Article 182b

52. As mentioned in paragraph 153 of the August 2011 review report, Article 182b of the PGR requires that legal entities not operating according to commercial principles must submit a declaration to the Public Registry (GBOERA) that a statement of assets at the end of the preceding business year exists and that the entity has not carried out commercial business.

53. The amendment made to Article 182b(1)(a) now requires that entities must submit a declaration that "records and documents required by Article1045(3) are available" rather than simply a "statement of assets".

54. The new provisions of Article 1045(3) read with Article 1059 create obligations for legal entities not subject to proper accounting requirements, to meet requirements of TOR A.2.1. These requirements are further strengthened by amendments in Articles 181 and 182 of the PGR.

Article 251a

55. Account keeping obligations for associations (verein) are separately prescribed in Article 251a of the PGR. Article 251a was amended so as to provide that the board of directors must keep accounts of the revenue and expenditure and assets situation of the association pursuant to Article 1045(3). Provisions of Article 1045(1) apply to those associations that pursue commercial business and that are obliged to have statutory auditors (see paragraph 42 of the August 2011 report). Therefore, the requirement to keep accounting records by all associations regardless of carrying on commercial business or not are provided in Article 1045(1) and 251a respectively.

Trusts

Article 923

56. The provisions of Article 1045(1) do not apply to trusts as these are not legal entities. Article 923 of the PGR deals with the accounting obligations of the trustee of a trust. A trustee is obliged to prepare an inventory of the assets and liabilities of the trust and this must be updated annually. These obligations are made more explicit by the amendment to Article 923(1). The amended Article reads as: "The trustee shall create a special list of assets relating to the trust property, unless this is already in place, pursuant to Article 1045(3) and shall adjust entries on an annual basis. The trustee shall ensure that the records and documents are made available at the domestic registered office within a reasonable period of time. Article 1059 shall apply to the keeping and retention of records and documents".

57. Paragraph 157 of the August 2011 report referred to the provisions of paragraph 5 to Article 923 under which a trust deed could provide a deviation from rules or relieve trustees from duties of account keeping. This paragraph is deleted by Law of 2012, therefore, any lighter requirements that may be provided in a trust deed will no longer have effect on the obligations of a trustee concerning the trustee's obligation to maintain accounting records.

58. The amended provisions of Article 923 and application of provisions of Article 1059 ensure the availability of accounting records consistent with the standard for trusts.

Trust enterprises

59. Paragraph 166 of the August 2011 report noted that a trust enterprise which does not have legal personality and is not engaged in commercial activities is not obliged under the PGR to maintain accounting records. Further the tax laws do not ensure keeping of accounting records by trust enterprises (see paragraph 66 of the August 2011 report).

60. The provisions concerning accountancy in relation to trust enterprises are set out in § 34 of Article 932a of the PGR. These provisions oblige the managing trustee of a trust enterprise not engaged in commercial activities to observe the provisions of the PGR and the regulations concerning trusts in general relating to the drawing up of inventories of property and submission of accounts and keep accurate, regular, clear and appropriate accounts accompanied by receipts if necessary.

61. In respect of trust enterprises pursuing commercial objectives (business), § 34 of Article 932a of the PGR provides that the regulations of the PGR and those applicable to establishments undertaking commercial

activities apply. Further, Article 932a § 5(1).of the PGR provides that general provisions regarding collective legal entities apply to the trust enterprises with or without legal personality. Accordingly, due to application of provisions of Articles 182a(2), 923 and 1045 (1,3) of the PGR, trust enterprises would be obliged to keep accounting records.

Underlying documentation

62. The amended provisions of Articles 1045(3) and 923 explicitly provide that provisions of Article 1059 apply to entities covered by these articles. Accordingly, the provisions of Article 1059 now apply to all entities and arrangements subject to the requirements of Article 1045 and 923 of the PGR. As discussed above, Article 251a applicable to associations not carrying on commercial activities provides that the Board of Directors must keep accounts of revenue and expenditures and assets situation of the association pursuant to Article 1045(3). Accordingly, provisions of Article 1059 would also apply to associations covered by Article 251a.

63. Article 1059 sets out the duty of keeping and retention of business records. The Article requires that business books, accounting documents and business correspondence, that guarantees underlying transaction, must be maintained and preserved. The Article mentions that the detailed requirements are determined through a decree by the government. Paragraph 175 of the August 2011 report noted that Liechtenstein issued an ordinance on 19 December 2000 (LGB1.2000 No.271) which details the manner in which business records, business papers and accounting vouchers must be kept but does not further define exactly what types of documents this covers. Article 5 of this Ordinance concerns principles of proper maintenance and preservation of books. The provisions oblige the persons covered by the provisions of Article 1059 to keep business correspondence, vouchers, delivery documents and other supporting documents for the journal entries. Provisions of the Ordinance will now also apply to entities covered by amended law (Arts.1045(3), 251 and 923).

Retention of accounting records

64. The applicability of provisions of Article 1059, which requires keeping of business books, accounting documents and business records for 10 years, to entities mentioned in Articles 1045(3), 251a and 923 ensures retention of records consistent with the standard.

Enforcement provisions

65. Article 180a of the PGR obliges the members of the administration[2] to ensure that account books, records and documents be made available at the registered office of the legal entity within a reasonable period of time. Section 66 of the schedule to the PGR has been amended to prescribe sanctions. Failure to make account books or records and documents available at the registered office of the legal entity within a reasonable period of time is punishable by the Regional Court on application or on its own motion in a non-contradictory procedure through the imposition of a spot fine of up to CHF 5 000. In case of negligence, the spot fine is up to CHF 1 000. This also applies to trustees of a trusteeship. The spot fines continue to apply until obligations are fulfilled or proof has been furnished that an obligation does not exist. In the case of a legal entity, the criminal provisions apply to the directors, agents, liquidators, or members of the administrative bodies who fail to fulfil the obligation.

Applicability of Law of 22 March 2012

66. Law of 22 March 2012 entered into force on 27 April 2012, however, amended provisions concerning accounting records apply to financial years beginning after 31 December 2013.

Conclusion

67. All relevant entities and arrangements are obliged to keep accounting records and underlying documentation. Accounting records are required to be retained for a period of more than 5 years. The provisions of the new law apply to financial years beginning after 31 December 2013.

2. See paragraph 69 of August 2011 report.

Determination and factors underlying recommendations

Phase 1 determination	
The element is ~~not~~ in place.	
Factors underlying recommendations	**Recommendations**
~~Liechtenstein's laws do not ensure that full accounting records are kept for trusts, trusts enterprises and establishments which are not carrying on commercial activities, nor for some forms of companies which may qualify for special status under tax laws.~~	~~Liechtenstein should ensure that accounting records to the standard are kept in respect of all entities and arrangements. Appropriate penalties should be provided for failure to maintain such records and Liechtenstein should ensure that it can access these records in a timely fashion.~~
~~Liechtenstein's laws do not ensure that underlying documentation is kept by :trusts, trusts enterprises, establishments not carrying on commercial activities, and some forms of companies which may qualify for special status under tax laws.~~	~~Liechtenstein should amend relevant legislation to ensure that underlying documentation to the standard is kept by all relevant entities and that they retain accounting records and underlying documentation for a minimum period of five years.~~

A.3. Banking information

Banking information should be available for all account-holders.

Record-keeping requirements *(ToR A.3.1)*

68. The August 2011 report found that Liechtenstein had a legal framework in place to ensure availability of relevant banking information for all account holders.

Determination and factors underlying recommendations

Phase 1 determination
The element is in place.

B. Access to Information

Overview

69. A variety of information may be needed in respect of the administration and enforcement of relevant tax laws and jurisdictions should have the authority to access all such information. This includes information held by banks and other financial institutions as well as information concerning the ownership of companies or the identity of interest holders in other persons or entities.

70. The August 2011 report found that Liechtenstein competent authority has powers to obtain and provide information consistent with the standard.

71. The August 2011 report also found that, the LIAATM provides for notification of the affected party when there is an international request for information concerning the party. No exceptions are provided to this notification requirement and it was recommended that Liechtenstein permit certain exceptions from prior notification (*e.g.* in cases in which the information request is of a very urgent nature or the notification is likely to undermine the chance of success of the investigation conducted by the requesting jurisdiction). Liechtenstein has not reported any tangible progress on the issue.

72. The supplementary report does not make any changes in the assessment of Part B of the August 2011 report.

B.1. Competent Authority's ability to obtain and provide information

Competent authorities should have the power to obtain and provide information that is the subject of a request under an exchange of information arrangement from any person within their territorial jurisdiction who is in possession or control of such information (irrespective of any legal obligation on such person to maintain the secrecy of the information).

Ownership and identity information (ToR B.1.1), accounting records (ToR B.1.2), Use of information gathering measures absent domestic tax interest (TOR B.1.3), Enforcement provisions to compel production and access to information (TORB.1.4) and Secrecy Provisions(TOR B.1.5)

73. The August 2011 report found that element B.1 is in place. However, paragraph 207 of the original report mentioned that Liechtenstein could strengthen the information sharing between the Fiscal Authority and the Financial Intelligence Unit as well as the FMA to ensure that information needed to respond to an EOI request which might not be otherwise accessible can be obtained by the FA. Further, paragraph 220 of that report made a recommendation that Liechtenstein should consider ways to make it clearer that bank secrecy can in fact be overridden when the FA needs information for the purposes of international exchange of information. Liechtenstein has confirmed that based on Article 10 of the LIAATM, bank secrecy rules do not limit the Fiscal Authority's powers to obtain information and the Fiscal Authority is obtaining information from the banks to respond to information requests from the EOI partners. Liechtenstein has also reported that, there is no need for an enhanced sharing of information with authorities gathering information for other purposes because the Fiscal Authority has unlimited powers to obtain any relevant information available in Liechtenstein. These issues will be considered during the Phase 2 review of Liechtenstein.

Determination and factors underlying recommendations

Phase 1 determination
The element is in place.

B.2. Notification requirements and rights and safeguards

The rights and safeguards (*e.g.* notification, appeal rights) that apply to persons in the requested jurisdiction should be compatible with effective exchange of information.

Not unduly prevent or delay exchange of information (ToR B.2.1)

74. The August 2011 report assessed that "the element is in place, but certain aspects of the legal implementation of the element need improvement" in respect of element B.2 The original report found that there was no exception to the requirement that the person concerned be given prior notification before the information is exchanged with an EOI partner and recommendation to this effect was made that, certain exceptions from prior notification be permitted (*e.g.* in cases in which the information requested is of a very urgent nature or the notification is likely to undermine the chance of the success of the investigation conducted by the requesting jurisdiction).

75. Liechtenstein has reported that, the Government will review and determine possible amendments to the LIAATM in the second half of 2012, after having assessed the practical experiences with regard to EOI requests and possible further developments in the application of the international EOI standard.

Conclusion

76. In absence of any progress reported, the determination as well as recommendation remains unchanged.

Determination and factors underlying recommendations

Phase 1 determination	
The element is in place, but certain aspects of the legal implementation of the element need improvement.	
Factors underlying recommendation	**Recommendation**
There is no exception to the requirement that the person concerned be given prior notification before the information is exchanged with an EOI partner.	It is recommended that certain exceptions from prior notification be permitted (*e.g.* in cases in which the information requested is of a very urgent nature or the notification is likely to undermine the chance of the success of the investigation conducted by the requesting jurisdiction).

C. Exchanging Information

Overview

77. Jurisdictions generally cannot exchange information for tax purposes unless they have a legal basis or mechanism for doing so. In Liechtenstein, the legal authority to exchange information is derived from double taxation conventions (DTCs) and tax information exchange agreements (TIEAs) once they become part of Liechtenstein's domestic law.

78. This section of the report examines whether Liechtenstein has a network of information exchange agreements that would allow it to achieve effective exchange of information in practice. Liechtenstein's Phase 1 report found elements C.1 (exchange of information mechanisms) and C.2 (network of exchange of information mechanisms) as to be "in place, but certain aspects of the legal implementation of the element need improvement". Elements C.3 (confidentiality) and C.4 (rights and safeguards of taxpayers and third parties) were found to be in place. Finally, as with other Phase 1 reports, in respect of element C.5 (timeliness of responses to requests for information) the report noted that it involves issues of practice that will be dealt with in the Liechtenstein's Phase 2 review.

79. Since its original review report, Liechtenstein has signed four additional agreements[3] allowing for the international exchange of information in tax matters, consisting of two double taxation conventions (DTCs) and two taxation information exchange agreements (TIEAs). The DTCs are signed with Germany and the UK, with whom Liechtenstein already has TIEAs in force. This supplementary report considers these four agreements and also other developments in Liechtenstein concerning exchange of information.

80. All four new agreements are consistent with the international standard. Liechtenstein has now a total of 27 EOI agreements covering 25 jurisdictions.

3. DTCs are signed with Germany (18 November 2011) and the United Kingdom and Northern Ireland (11 June 2012). TIEAs are signed with Australia and Japan on 21 June 2011 and 5 July 2012.

Agreements with 22 jurisdictions are now in force. Agreements with Belgium and Uruguay though not in force have been ratified by Liechtenstein. Further, the DTC with Germany is also ratified by Liechtenstein.

81. The August 2011 report noted that seven agreements[4] deviate in some respect from the standards, *e.g.* with regard to temporary restrictions on exchange of information in civil tax matters and criminal tax matters, thresholds or lack of exceptions to notification requirements. Liechtenstein also has treaties in force with Switzerland and Austria but these agreements do not contain an EOI article and hence do not meet the standard. Liechtenstein has reported to have initiated the necessary internal proceedings to amend agreements with Andorra, Antigua and Barbuda, Monaco, St. Kitts and Nevis and St. Vincent and the Grenadines. Liechtenstein has also reported that negotiations with Austria and Switzerland to amend the existing DTCs are ongoing. A new DTC providing for exchange of information consistent with the standard is signed with the UK. A list of Liechtenstein's information exchange agreements can be found in Annex 3.

82. Liechtenstein continues to negotiate agreements with a number of jurisdictions.

C.1. Exchange of information mechanisms

Exchange of information mechanisms should allow for effective exchange of information.

83. Since its August 2011 review report, Liechtenstein has signed DTCs with Germany and the United Kingdom, with whom it already had TIEAs in force. Liechtenstein has also signed TIEAs with Australia and Japan. These new agreements provide for exchange of information to the international standards.

84. The August 2011 report found that seven of Liechtenstein's agreements[5] deviate from the standard in some respects. Liechtenstein has reported to have initiated the necessary internal proceedings to amend agreements with Andorra, Antigua and Barbuda, Monaco, St. Kitts and Nevis and St. Vincent and the Grenadines. A new DTC with the UK provides for exchange of information in tax matters consistent with the standard.

4. Andorra, Antigua and Barbuda, Belgium, Monaco, Saint Kitts and Nevis, Saint Vincent and the Grenadines and the United Kingdom,
5. Andorra, Antigua and Barbuda, Belgium, Monaco, Saint Kitts and Nevis, Saint Vincent and the Grenadines, and the United Kingdom.

Foreseeably relevant standard (ToR C.1.1)

85. The international standard for exchange of information envisages information exchange upon request to the widest possible extent. Nevertheless it does not allow "fishing expeditions", *i.e.* speculative requests for information that have no apparent nexus to an open inquiry or investigation. The balance between these two competing considerations is captured in the standard of "foreseeable relevance" which is included in Article 26(1) of the OECD *Model Taxation Convention*. Each of the new agreements provide for exchange of information "foreseeably relevant" for carrying out the provisions of the Convention or of the domestic tax laws of the Contracting States.

In respect of all persons (ToR C.1.2)

86. For exchange of information to be effective, it is necessary that a jurisdiction's obligation to provide information is not restricted by the residence or nationality of the person to whom the information relates or by the residence or nationality of the person in possession or control of the information requested. For this reason the international standards for exchange of information for tax purposes envisages that exchange of information (EOI) mechanisms will provide for exchange of information in respect of all persons.

87. All of Liechtenstein's agreements that allow for exchange of information, including the three new agreements, contain a provision concerning jurisdictional scope (not limited by provisions of Article 1 in DTCs) which is in line with international standard.

Obligation to exchange of all types of information (ToR C.1.3)

88. Jurisdictions cannot engage in effective exchange of information if they cannot exchange information held by financial institutions, nominees or persons acting in an agency or a fiduciary capacity. Both the OECD *Model Tax Convention* and the *Model Agreement on Exchange of Information*, which are the authoritative sources of the standards, stipulate that bank secrecy cannot form the basis for declining a request to provide information and that a request for information cannot be declined solely because the information is held by nominees or persons acting in an agency or fiduciary capacity or because the information relates to an ownership interest.

89. The new agreements do not allow the requested jurisdictions to decline to supply information solely because it is held by a financial institution, nominee or person acting in an agency or fiduciary capacity, or because it relate ownership interests in a person.

Absence of domestic tax interest (ToR C.1.4)

90. The concept of "domestic tax interest" describes a situation where a contracting party can only provide information to another contracting party if it has an interest in the requested information for its own tax purposes. A refusal to provide information based on a domestic tax interest requirement is not consistent with the international standard. EOI partners must be able to use their information gathering measures even though invoked solely to obtain and provide information to the requesting jurisdiction.

91. All four new agreements contain explicit provisions obliging the contracting parties to exchange information without regard to whether the requested party needs such information for its own tax purposes.

Absence of dual criminality principles (ToR C.1.5)

92. The principle of dual criminality provides that assistance can only be provided if the conduct being investigated (and giving rise to an information request) would constitute a crime under the laws of the requested jurisdiction if it had occurred in the requested jurisdiction. In order to be effective, exchange of information should not be constrained by the application of the dual criminality principle.

93. None of Liechtenstein's new EOI agreements provide for application of a dual criminality principle to restrict exchange of information and all contain positive statements that information must 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.

Exchange of information in both civil and criminal tax matters (ToR C.1.6)

94. Information exchange may be requested both for tax administration purposes and for tax prosecution purposes. The international standard is not limited to information exchange in criminal tax matters but extends to information requested for tax administration purposes (also referred to as "civil tax matters").

95. All of Liechtenstein's new exchange of information agreements provide for exchange of information in both civil and criminal tax matters.

96. Paragraphs 250 and 251 of the August 2011 report noted that the Liechtenstein's TIEA with the United Kingdom signed on 11 August 2009 puts restrictions on exchange of information in civil tax matters and criminal tax matters until 31 March 2015. These restrictions will no longer be applicable after 31 March 2015. The report found that this agreement was not to the standard.

As mentioned earlier, Liechtenstein has signed a new DTC with the United Kingdom on 11 June 2012 (not yet in force). The language of Article 25 of this treaty concerning exchange of information mirrors language of Article 26 of the OECD Model Tax Convention on Income and Capital, accordingly tax information consistent with the international standard can be exchanged between two countries. However, the protocol to the DTC concerning the exchange of information states that, "it is understood that the competent authorities shall exchange information according to the terms and conditions of the Agreement on Tax information Exchange signed on 11 August 2009 between the Principality of Liechtenstein and the United Kingdom of Great Britain and Northern Ireland to the extent that a request for information comes within the scope of that agreement". It is understood, therefore, that, the limitations under the TIEA will continue to apply. With respect to the remainder of Liechtensteins EOI agreements, the entry into force provisions vary, but most provide for exchange of information for taxable periods or charges to tax arising following the entry into force of the agreement. Liechtenstein interprets its agreements as allowing for the exchange of information created prior to the date of entry into force of the agreement where that information is relevant for a period that is within the scope of the agreements' entry into force provisions. In addition, some of Liechtenstein's agreements provide for exchange of information in respect of periods beginning prior to the entry into force of the agreement but after the date of signature. Liechtenstein indicates that it would be willing to negotiate similar agreements with other partners if the other partner requests.

Provide information in specific form requested *(ToR C.1.7)*

97. There are no restrictions in Liechtenstein's tax treaties or TIEAs, including new agreements, that would prevent it from providing information in a specific form, so long as this is consistent with its own administrative practices. Liechtenstein's agreements provide that the information must be provided in the form specified by the competent authority of the requesting party, including depositions of witnesses and authenticated copies of original documents.

In force *(ToR C.1.8)*

98. Exchange of information cannot take place unless a jurisdiction has exchange of information arrangements in force. The international standard requires that jurisdictions take all steps necessary to bring information arrangements that have been signed into force expeditiously.

99. Liechtenstein has signed bilateral tax treaties and TIEAs which allow for exchange of information with 25 jurisdictions as of 25 July 2012.

Agreements with 22 jurisdictions[6] are now in force. Agreements with Belgium and Uruguay though not in force have been ratified by Liechtenstein on 24 April 2010 and 21 September 2011. Paragraph 254 of the original report noted that only 12 of 23 signed agreements were in force and the report required Liechtenstein to take all necessary steps to bring the remaining agreements into force expeditiously. As all the agreements except three are now in force, the speed with which Liechtenstein brought agreements in force or ratified remaining two agreements deserves appreciation.

Be given effect through domestic law (ToR C.1.9)

100. For information exchange to be effective, the parties to an EOI arrangement need to enact legislation necessary to comply with the terms of the arrangement.

101. Liechtenstein's EOI agreements become part of domestic law after they are ratified by the Parliament. Liechtenstein has necessary legal mechanisms in place to give effect to all new signed agreements.

102. As there is no material progress in the matter of deficiencies noted in the August 2011 report, the determination remains unchanged.

Determination and factors underlying recommendations

Phase 1 determination	
The element is in place, but certain aspects of the legal implementation of the element need improvement.	
Factors underlying recommendations	**Recommendations**
Some of Liechtenstein's agreements are not to the international standard.	It is recommended that Liechtenstein bring these agreements up to the international standard as soon as practicable.

C.2. Exchange of information mechanisms with all relevant partners

The jurisdictions' network of information exchange mechanisms should cover all relevant partners.

103. The standards require that jurisdictions exchange information with all relevant partners, meaning those partners who are interested in entering

6. DTCs signed with Germany (18 November 2011) and the United Kingdom (11 June 2012) are not in force, but TIEAS signed with these countries are in force.

into an information exchange arrangement. Agreements cannot be concluded only with counterparties without economic significance. If it appears that a jurisdiction is refusing to enter into agreements or negotiations with partners, in particular ones that have a reasonable expectation of requiring information from that jurisdiction in order to properly administer and enforce its tax laws it may indicate a lack of commitment to implement the standards.

104. Since the original review report, Liechtenstein has a new EOI relationship with Australia. It has also signed tax treaties containing EOI article with Germany and the United Kingdom but it already had operational TIEAs with them. Paragraph 259 of the August 2011 report noted that Liechtenstein EOI Agreements do not cover Switzerland, Austria and Italy. Liechtenstein had indicated that negotiations to update the Liechtenstein-Austria tax treaty, which should result in it providing for exchange of information, started in December 2010. Similar negotiations were ongoing with Italy.

105. In addition to Liechtenstein's existing agreements, Liechtenstein has advised that it is actively expanding its treaty network, in conformity with the international standard, by initiating treaty negotiations and having responded to requests for negotiations of both DTAs and TIEAs. According to the current work program, talks and negotiations with more than 20 countries are ongoing. The Government has given a mandate to conduct and conclude DTA negotiations inter alia with the UK (signed on June 11), Austria, Singapore, Slovakia, South Korea, Malta, Panama, Belgium, Italy, UAE, Bahrain, Ireland, Portugal, Andorra and Guernsey. A DTA with Germany was signed in November 2011 and has been ratified by Liechtenstein. A TIEA with Japan was signed in July 2012, the concluded TIEA with Canada will be signed as soon as the formal procedures will be finalised and negotiations with India, South Africa and Kenya are ongoing, most of them are in a very advanced stage. A DTA with Georgia and a TIEAs with China and Mexico have been initiated. Liechtenstein will continue to accommodate requests for concluding EOI instruments (TIEA or DTA) by other countries or jurisdictions and initiate and conclude negotiations at the earliest opportunity.

Determination and factors underlying recommendations

Phase 1 determination	
The element is in place~~, but certain aspects of the legal implementation of the element need improvement~~.	
Factors underlying recommendations	**Recommendations**
~~Liechtenstein has not on all occasions responded to or progressed negotiations to establish EOI arrangements when requested to do so.~~	~~Liechtenstein should enter into exchange of information agreements, regardless of their form, with all partners who are interested in entering into an information exchange arrangement with it and progress its negotiations effectively.~~
	Liechtenstein should continue to develop its EOI network to the standard with all relevant partners.

C.3. Confidentiality

The jurisdictions' mechanisms for exchange of information should have adequate provisions to ensure the confidentiality of information received.

Information received: disclosure, use, and safeguards *(ToR C.3.1)*

106. Governments would not engage in information exchange without the assurance that the information provided would only be used for the purposes permitted under the exchange mechanism and that its confidentiality would be preserved. Information exchange instruments must therefore contain confidentiality provisions that spell out specifically to whom the information can be disclosed and the purposes for which the information can be used. In addition to the protections afforded by the confidentiality provisions of information exchange instruments, countries generally impose strict confidentiality requirements on information collected for tax purposes.

107. All new agreements concluded by Liechtenstein meet the standard for confidentiality including the restrictions on the disclosure of the information received and also use thereof by a contracting party. Article 25(2) of the DTC with the United Kingdom also provide for use of information received by a Contracting State for other purposes when such information may be used for such other purposes under the laws of both States and the competent authority of the supplying State authorises such use. These provisions are consistent with the standard as reflected in Article 8 of the 2002 Model Agreement on Exchange of information on Tax Matters.

All other information exchanged (ToR C.3.2)

108. The original report did not raise any concerns with respect to this element.

109. All new agreements concluded by Liechtenstein meet the standards of confidentiality including the limitations on disclosure of information received and use of information exchanged, which are reflected in Article 26(2) of the OECD *Model Tax Convention* and Article 8 of the OECD *Model TIEA*. The agreements do not draw a distinction between information received in response to requests and information forming part of the requests themselves. As such, these provisions apply equally to all requests for such information, background documents to such requests, and any other document reflecting such information, including communications between the requesting and requested jurisdictions and communications within the tax authorities of either jurisdiction.

Determination and factors underlying recommendations

Phase 1 determination
The element is in place.

C.4. Rights and safeguards of taxpayers and third parties

The exchange of information mechanisms should respect the rights and safeguards of taxpayers and third parties.

Exceptions to requirement to provide information (ToR C.4.1)

110. The international standards allow requested parties not to supply information in response to a request in certain identified situations. Among other reasons, an information request can be declined where the requested information would disclose confidential communications protected by attorney-client privilege. Attorney-client privilege is a feature of the legal systems of many countries.

111. All of the new agreements concluded by Liechtenstein incorporate wording modelled on Article 26(3) of the OECD *Model Tax Convention* or Article 7 of the OECD *Model TIEA,* providing that requested jurisdictions are not obliged to provide information which would disclose any trade, business, industrial, commercial or professional secret or information which is the subject to attorney-client privilege/legal privilege or information the disclosure of which would be contrary to public policy.

112. Paragraphs 269 of the August 2011 report found that the Fiscal Authority can refuse to provide information in response to a request when the request is based on information obtained by way of data theft, which is an act punishable in Liechtenstein, and therefore against public policy. This

restriction is specifically referred to only in the agreement with Germany. Liechtenstein has signed a new DTC with Germany and its provisions dealing with EOI are consistent with the standard. The Protocol to the DTC provides that information will continue to be exchanged under the TIEA to the extent covered by its scope. Whether or not in practice this provision concerning data theft is applied inconsistently with the standard should be considered in the Phase 2 review of Liechtenstein.

113. The scope of professional privileges in Liechtenstein is not so wide as to interfere with exchange of information to the standards (see section B.1 of the original report).

114. Paragraph 271 of the August 2011 report found that Liechtenstein agreements with Andorra, Antigua and Barbuda, Belgium, Monaco, Saint Kitts and Nevis and Saint Vincent and Grenadines provide that "rights and safeguards secured to persons by the laws or administrative practices of the requested Party remain applicable". This provision misses the additional wording available in the Model TIEA that "… *to the extent they do not unduly prevent or delay effective exchange of information"*, which is available in the TIEAs with France, the Netherlands, Ireland and seven Nordic jurisdictions. The absence of this additional provision has the potential to prevent or delay the exchange of information by Liechtenstein due to the lack of exceptions to the requirement to notify taxpayers of requests for information concerning them under the LIAATM, as discussed in Part B of the August 2011 report.

115. The August 2011 report noted that Liechtenstein's agreements with Andorra and Antigua and Barbuda oblige the requesting jurisdiction to inform the taxpayer about the intention to make a request for information. Paragraph 274 of that report advised Liechtenstein to provide for exceptions to this notification requirement in these agreements. In its supplementary report request, Liechtenstein has reported that it has initiated the necessary internal proceedings to amend agreements with Andorra, St. Kitts and Nevis, St. Vincent and the Grenadines, Monaco and Antigua and Barbuda. Since the amendments of the agreements with Andorra and Antigua and Barbuda were not yet signed the recommendation of the August 2011 report to update these agreements is kept.

Determination and factors underlying recommendations

Phase 1 determination	
The element is in place.	
Factors underlying recommendations	**Recommendations**

The absence of exceptions to the requirement in the TIEAs with Andorra and Antigua and Barbuda to notify taxpayers has the potential to prevent or delay the exchange of information by Liechtenstein.	It is recommended that the TIEAs with Andorra and Antigua and Barbuda be updated to allow exceptions to the requirement to notify taxpayers

C.5. Timeliness of responses to requests for information

The jurisdiction should provide information under its network of agreements in a timely manner.

Responses within 90 days (ToR C.5.1)

116. Paragraph 277 of the August 2011 report noted that six of Liechtenstein's TIEAs have protocols which *inter alia* provide that "it is understood that the taxpayer, unless subject to criminal investigation, is to be informed about the intention to make a request for information. If the information to the taxpayer would jeopardise the purpose of the investigation, information is not necessary". This provision, coupled with the fact that rights available to the holder of information and other persons with an interest in the information are very broad, has the potential to delay effective exchange of information (see Part B.1 of original review report). This issue will be the subject of analysis in the Phase 2 review of Liechtenstein's exchange of information practices.

117. There are no provisions in Liechtenstein's agreements pertaining to the timeliness of responses or the timeframe within which responses should be provided. As such, there appear to be no legal restrictions on the ability of the competent authority to respond to requests within 90 days of receipt by providing the information requested or by providing an update on the status of the request. Further, Article 19 of the LIAATM provides for immediate notification to the foreign competent authority if request cannot be complied for the reason that the information is neither held by the domestic administrative authorities nor in the possession or control of a person within Liechtenstein.

Organisational process and resources (ToR C.5.2)

118. Liechtenstein has reported that its Tax Authority has already developed considerable practical experience in executing EOI requests from its treaty partners. It has already received 23 EOI requests from 5 countries and appeals were lodged in only two cases so far, both were dismissed. A review of Liechtenstein's organisational process and resources will be conducted in the context of its Phase 2 review.

Unreasonable, disproportionate or unduly restriction conditions for EOI (ToR C.5.3)

119. There are no aspects of Liechtenstein's agreements or its laws that appear to impose additional restrictive conditions on the exchange of information.

Determination and factors underlying recommendations

Phase 1 determination
The assessment team is not in a position to evaluate whether this element is in place, as it involves issues of practice that are dealt with in the Phase 2 review.

Summary of Determinations and Factors Underlying Recommendations

Determination	Factors underlying recommendations	Recommendations
Jurisdictions should ensure that ownership and identity information for all relevant entities and arrangements is available to their competent authorities. *(ToR A.1)*		
The element is not in place.	Joint stock companies, limited partnerships with share capital, co-operatives, Societas Europaea, trusts and trust enterprises are able to issue bearer shares, bearer bonds and trust certificates and there are currently insufficient mechanisms in place that ensure the availability of information allowing for identification of their owners.	Liechtenstein should take necessary measures to ensure that appropriate mechanisms are in place to identify the owners of bearer shares in all instances.
	There are insufficient mechanisms for ensuring that companies keep share registers and update them.	Appropriate penalties should be provided for companies that fail to maintain share registers up to date and Liechtenstein should ensure that it can access information in these registers in a timely fashion.
	Information regarding the ownership of foreign companies that are resident for tax purposes in Liechtenstein may, under certain circumstances, not be available.	Liechtenstein should ensure that identity information on the owners of foreign companies that are resident for tax purposes in Liechtenstein is available to its competent authority.

Determination	Factors underlying recommendations	Recommendations
The element is not in place. *(continued)*	Information on beneficiaries with less than a 25% interest in trusts and trust enterprises is not required to be maintained.	Liechtenstein should ensure that information is maintained on all beneficiaries and settlor of trusts and trust enterprises.
Jurisdictions should ensure that reliable accounting records are kept for all relevant entities and arrangements. *(ToR A.2)*		
The element is in place.		
Banking information should be available for all account-holders. *(ToR A.3)*		
The element is in place.		
Competent authorities should have the power to obtain and provide information that is the subject of a request under an exchange of information arrangement from any person within their territorial jurisdiction who is in possession or control of such information (irrespective of any legal obligation on such person to maintain the secrecy of the information). *(ToR B.1)*		
The element is in place.		
The rights and safeguards (*e.g.* notification, appeal rights) that apply to persons in the requested jurisdiction should be compatible with effective exchange of information. *(ToR B.2)*		
The element is in place, but certain aspects of the legal implementation of the element need improvement.	There is no exception to the requirement that the person concerned be given prior notification before the information is exchanged with an EOI partner.	It is recommended that certain exceptions from prior notification be permitted (*e.g.* in cases in which the information requested is of a very urgent nature or the notification is likely to undermine the chance of the success of the investigation conducted by the requesting jurisdiction).
Exchange of information mechanisms should allow for effective exchange of information. *(ToR C.1)*		
The element is in place, but certain aspects of the legal implementation of the element need improvement.	Some of Liechtenstein's agreements are not to the international standard.	It is recommended that Liechtenstein bring these agreements up to the international standard as soon as practicable.

Determination	Factors underlying recommendations	Recommendations
The jurisdictions' network of information exchange mechanisms should cover all relevant partners. *(ToR C.2)*		
The element is in place.		Liechtenstein should continue to develop its EOI network to the standard with all relevant partners.
The jurisdictions' mechanisms for exchange of information should have adequate provisions to ensure the confidentiality of information received. *(ToR C.3)*		
The element is in place.		
The exchange of information mechanisms should respect the rights and safeguards of taxpayers and third parties. *(ToR C.4)*		
The element is in place.	The absence of exceptions to the requirement in the TIEAs with Andorra and Antigua and Barbuda to notify taxpayers has the potential to prevent or delay the exchange of information by Liechtenstein.	It is recommended that the TIEAs with Andorra and Antigua and Barbuda be updated to allow exceptions to the requirement to notify taxpayers
The jurisdiction should provide information under its network of agreements in a timely manner. *(ToR C.5)*		
The assessment team is not in a position to evaluate whether this element is in place, as it involves issues of practice that are dealt with in the Phase 2 review.		

Annex 1: Jurisdiction's Response to the Review Report[7]

7. This Annex presents the Jurisdiction's response to the review report and shall not be deemed to represent the Global Forum's views.

Annex 2: Request for a Supplementary Report Received from Liechtenstein

LIECHTENSTEIN – REQUEST TO THE PEER REVIEW GROUP FOR A SUPPLEMENTARY REPORT

The Phase 1 Peer Review Report of Liechtenstein was adopted in August 2011. At the end of the report, in paragraph 7, it is stated that Liechtenstein's response to the conclusions and recommendations in this report, as well as its practical implementation will be assessed during the Phase 2 Peer Review, scheduled for the second half of 2012, provided that Liechtenstein takes the necessary measures to address the deficiencies identified regarding availability of accounting information and takes significant steps to address the deficiencies identified regarding availability of ownership information. In the meantime, a follow up report on the steps undertaken by Liechtenstein to answer the recommendations made in this report should be provided to the PRG within six months of the adoption of this report. Liechtenstein has submitted such a follow up report in April 2012.

The Peer Review Report found that elements A1 and A2 were not in place. This now updated report focuses on the actions taken with regard to the recommendations to A1 and A2 and outlines the legislative measures (A2) or the significant steps for legislative amendments that have been taken (A1). It also covers steps taken with regard to the other elements, in particular C1, C2. The steps taken should lead to an upgrade of the determinations and a removal of some of the recommendations, in particular with respect to A2 that should be upgrade to "in place".

Liechtenstein is of the view that with these actions the requirements of paragraph 7 of the Phase 1 Peer Review Report have been fulfilled, so that the phase 2 review can be commenced as planned in the 2nd half of 2012.

In order to acknowledge that Liechtenstein has taken the required further steps and to ensure that the envisaged timing can be met, Liechtenstein requests that the necessary procedure be initiated by the PRG.

Liechtenstein requests that according to paragraph 58 of the Methodology a supplementary report be prepared for consideration at the meeting of the PRG in September 2012.

Vaduz, 20 June 2012

STEPS TAKEN TO IMPLEMENT THE RECOMMENDATIONS OF THE PHASE 1 PEER REVIEW REPORT

Jurisdictions should ensure that ownership and identity information for all relevant entities and arrangements is available to their competent authorities (ToR A.1)

Determination: The element is not in place.

Recommendation:

Liechtenstein should take necessary measures to ensure that appropriate mechanisms are in place to identify the owners of bearer shares in all instances.

Factors underlying recommendation:

Joint stock companies, limited partnerships with share capital, co-operatives, Societas Europaea, trusts and trust enterprises are able to issue bearer shares, bearer bonds and trust certificates and there are currently insufficient mechanisms in place that ensure the availability of information allowing for identification of their owners.

Action undertaken:

As this point seemed to be the most serious concern regarding A1, the Liechtenstein Government has given the issue the highest priority, together with the second recommendation about a sanctions' mechanism to ensure that companies keep share registers up to date. The Government tasked an interministerial committee that included experts from the relevant business associations to develop a proposal that would be in line with the international standards set by the Global Forum and the FATF. In February 2012, the Government has launched the official consultation procedure with a proposal to amend the Liechtenstein company law (PGR) – see *www.llv.li/pdf-llv-rk_vernehml._abaenderung_pgr_1.pdf*. Comments could be submitted until 13 April 2012. Major concerns were not expected, as the relevant stakeholders were involved in the preparatory process and support the draft law. The Government has now submitted the draft law to Parliament on 29 May 2012 (see annex 1 to this report). It is discussed by the Parliament in its present

session (June 22-22, 2012). Adoption by the Parliament is foreseen after the summer break, in order to ensure its entry into force before the end of 2012.

The PGR will be amended to ensure that only joint stock companies, limited partnerships with share capital and SEs will be allowed to issue bearer shares (Art. 447). All bearer shares must be deposited with a custodian. The custodian must be registered with the Public Registry. The custodian must maintain a register that contains for each share the name, birthdate, citizenship and domicile of the owner of the bearer share. The register of bearer shares has to be submitted by the custodian to the company which has to keep it at the seat of the company, *i.e.* in Liechtenstein (new Art. 326c). The register has to be updated by the custodian in case of changes. Liechtenstein's authorities – including the tax authority – and courts have access to bearer shares registers in order to fulfil their competencies (new Art. 326f). There are strict limitations on when a custodian can release a bearer share from its custody (new Art. 326d and 326h). The custodian is subject to an audit and sanctions in case of non-compliance (new Art. 326g) PGR. The transitional period to register bearer shares or to destroy them or alter them to nominal shares will expire at the end of 2013.

Art. 328 to 329c PGR contain the same rules for nominal shares (same information to be registered, internal audits, sanctions, register to be kept at the seat of the company, access of authorities and courts to the register…)

Recommendation:

Appropriate penalties should be provided for companies that fail to maintain share registers up to date and Liechtenstein should ensure that it can access information in these registers in a timely fashion.

Factors underlying recommendation:

There are insufficient mechanisms for ensuring that companies keep share registers and update them.

Action taken:

The above mentioned draft law includes the establishment of penalties for not maintaining share registers (nominal and bearer share registers) in accordance with the provisions of the PGR, *i.e.* a fine up to 10'000 CHF that can be imposed subsequently for not maintaining registers in accordance with the (revised) PGR provisions.

Recommendation:

Liechtenstein should ensure that identity information on the owners of foreign companies that are resident for tax purposes in Liechtenstein is available to its competent authority.

Factors underlying recommendations:

Information regarding the ownership of foreign companies that are resident for tax purposes in Liechtenstein may, under certain circumstances, not be available.

Action taken:

The Liechtenstein authorities are analysing this recommendation with a view to determine what actions would be feasible.

Recommendation:

Liechtenstein should ensure that information is maintained on all beneficiaries and trust enterprises.

Factors underlying recommendation:

Information on beneficiaries with less than a 25% interest in trusts and trust enterprises is not required to be maintained.

Action taken:

The Government has reviewed the issue, also in the context of an upcoming revision of the due diligence provisions and plans to clarify this point in an ordinance in summer 2012.

Jurisdictions should ensure that reliable accounting records are kept for all relevant entities and arrangements. (ToR A.2)

Determination: The element is not in place.

Recommendation:

Liechtenstein should ensure that accounting records to the standards are kept in respect of all relevant entities and arrangements. Appropriate penalties should be provided for failure to maintain such records and Liechtenstein should ensure that it can access these records in a timely fashion.

Factors underlying recommendation:

Liechtenstein's laws do not ensure that full accounting records are kept for trusts, trusts enterprises and establishments which are not carrying on commercial activities, nor for some forms of companies which may qualify for special status under tax laws.

Recommendation:

Liechtenstein should amend relevant legislation to ensure that underlying documentation to the standard is kept by all relevant entities and that they retain accounting records and underlying documentation for a minimum five year period.

Factors underlying recommendation:

Liechtenstein's laws do not ensure that underlying documentation is kept by: trusts, trust enterprises, establishments not carrying on commercial activities and some forms of companies which may qualify for special status under tax laws.

Action taken (with regard to both recommendations):

Articles 1045, 251a, 923 and 182b of the company law (PGR) have been amended on 22 March 2012, in order to bring the Liechtenstein accounting legislation in line with the terms of reference. The amendments have entered into force at the earliest possible date, *i.e.* on 27 April 2012, after the expiration of the referendum period on 25 April 2012. See annex 2 to this report (report to the parliament no 134/2011; *www.bua.llv.li*) and Legal Gazette 2012 No 124).

With these amendments, the accounting standards that apply for foundations not carrying out commercial activities – which were found to be in conformity with the standard (see Art. 552 PGR and paras 159/170 of the report) – have been extended to all other entities (including trusts) for which proper accounting was not formally required by the current PGR provisions.

Article 1045 PGR: Article 1045 PGR is the main obligation regarding maintenance of accounting records. It provides that all legal entities obliged to register in the Public Registry and which operate according to commercial principles must undertake proper accounting (paragraph 1). Paragraph 2 provides that all joint stock companies, limited partnerships with share capital, companies with limited liability, unlimited partnerships and limited partnerships which have companies as limited partners must also undertake proper accounting, even if they do not undertake commercial activities. The new paragraph 3 provides for obligations similar to those in Article 552(6) of the PGR and applies to ALL entities not covered by paragraphs 1 and 2. Importantly, it applies to trust enterprises and establishments not carrying out commercial activities and to any companies with a special status

under tax laws. The obligations of Article 1059 PGR regarding the duty to keep and retain business records apply also to the entities covered under Article 1045(3). Accordingly, these entities, whether engaged in commercial activities or not, must keep and maintain proper accounting records. Furthermore, an amendment to Art. 1045 (1) provides that the obligation to register does not only cover the company (Firma), but also the name (Name). This clarifies that all legal entities (including associations) and trust enterprises are covered by Art. 1045 PGR, as associations and foundations carry a name (Name) but not a company (Firma).

Art. 182a PGR: The new para 2 provides that also regarding entities covered by the new Art. 1045 (3) account books, records and documents have to be made available within a reasonable period of time at the company headquaters. Hence, this requirement applies not only for entities with full accounting requirements but for all other entities including establishments and trust enterprises.

Article 251a deals with accounting requirements applicable to associations (Verein). The requirements of 1045 PGR to retain proper accounting records apply to associations carrying out commercial business and thus are required to register according to Art. 247 (2) PGR. For all other associations, reference is made to the new Art. 1045 (3).

Article 923 deals with the accounting obligations of the trustee of a trust. A trustee is obliged to prepare an inventory of the assets and liabilities of the trust and this must be revised annually. The amendment to paragraph 1 of this article establishes the same obligations on trustees as prescribed in Article 1045(3). This will ensure the keeping of accounting records by trustees in line with the standard. Paragraph 5 which allowed that a trust deed may provide a deviation from these rules or relieve trustees from the duties of the said article is deleted.

Article 182b: As mentioned in para 153 of the Phase 1 peer review report, Article 182b required that legal entities not operating according to commercial principles had to submit a declaration to the Public Registry that a statement of assets at the end of the preceding business year exists and that the entity has not carried out commercial business. Entities falling under Art. 182b (1) PGR are now also subject to Art. 1045 (3) PGR. According to the amendment, they have to report to the Public Registry that the records and documents required by Art. 1045 (3) are available.

Retention of accounting records: The applicability of the provisions of Art. 1059 PGR to entities mentioned in Articles 1045(3), 251a and 923 PGR ensures a retention of records consistent with the standard.

Underlying documentation: As the provisions of Article 1059, read with the ordinance of 19 December 2000 (LGBl.2000 No.271), apply mutatis

mutandis to entities covered by Articles 1045(3), 251a and 923 PGR and thus the entities covered by Articles 1045(3), 251a and 923 PGR are obliged to keep documentary evidence presenting a comprehensible account of the course of business. The Phase 1 peer review report found that these obligations result in maintenance of underlying documentation in line with the international standards.

The rights and safeguards (*e.g.* notification, appeal rights) that apply to persons in the requested jurisdiction should be compatible with effective exchange of information (ToR B.2)

Determination:

The element is in place, but certain aspects of the legal implementation of the element need improvement.

Recommendation:

It is recommended that certain exceptions from prior notification be permitted (*e.g.* in cases in which the information requested is of a very urgent nature of the notification is likely to undermine the chance of the success of the investigation conducted by the requesting jurisdiction).

Factors underlying recommendation:

There is no exception to the requirement that the person concerned be given prior notification before the information is exchanged with an EOI partner.

Action taken:

The Government will review and determine possible amendments to the LIAATM in the second half of 2012, after having assessed the practical experiences with regard to EOI requests and possible further developments in the application of the international EOI standard.

Exchange of information mechanisms should allow for effective exchange of information. (ToR C.1)

Determination: The element is in place, but certain aspects of the legal implementation of the element need improvement.

Recommendation:

It is recommended that Liechtenstein bring these agreements up to the international standard as soon as practicable.

Factors underlying recommendation:

Some of Liechtenstein's agreements are not to the international standard.

Action taken:

Liechtenstein has initiated the necessary internal proceedings to amend the agreements with Andorra, St. Kitts and Nevis, St. Vincent and the Grenadines, Monaco and Antigua and Barbuda. Negotiations with Austria and Switzerland to amend the existing DTA are ongoing.

The jurisdictions' network of information exchange mechanisms should cover all relevant partners. (ToR C.2)

Determination: The element is in place, but certain aspects of the legal implementation of the element need improvement.

Factors underlying recommendation:

Liechtenstein has not on all occasions responded to or progressed negotiations to establish EOI arrangements when requested to do so.

Recommendation:

Liechtenstein should enter into exchange of information agreements, regardless of their form, with all partners who are interested in entering into an information exchange arrangement with it and progress its negotiations effectively.

Action taken:

Liechtenstein is actively expanding its treaty network, in conformity with the international standard, by initiating treaty negotiations and having responded to requests for negotiations of both DTAs and TIEAs. According to the current work program, talks and negotiations with more than 20 countries are ongoing. Since the adoption of the peer review report in 2011, all agreements that have been signed between 2009 and 2011 with 24 countries or jurisdictions have been ratified by Liechtenstein. The Government has given a mandate to conduct and conclude DTA negotiations inter alia with the UK (signed on June 11), Austria, Singapore, Slovakia, South Korea, Malta, Panama, Belgium, Italy, UAE, Bahrain, Ireland, Portugal, Andorra, Georgia (initialled) and Guernsey. A DTA with Germany was signed in November 2011 and has been ratified by Liechtenstein. A TIEA with Japan will be signed in July 2012, the concluded TIEA with Canada will be signed as soon as the formal procedures will be finalised and negotiations with China, India, South Africa, Mexico and Kenya are ongoing, most of them in a very advanced stage. Liechtenstein will continue to accommodate requests for

concluding EOI instruments (TIEA or DTA) by other countries or jurisdictions and initiate and conclude negotiations at the earliest opportunity.

The exchange of information mechanisms should respect the rights and safeguards of taxpayers and third parties. (ToR C.4)

Determination: The element is in place.

Factors underlying recommendation:

The absence of exceptions to the requirement in the TIEAs with Andorra and Antigua and Barbuda to notify taxpayers has the potential to prevent or delay the exchange of information by Liechtenstein.

Recommendation:

It is recommended that the TIEAs with Andorra and Antigua and Barbuda be updated to allow exceptions to the requirement to notify taxpayers.

Action taken:

See comment to C.1.

The jurisdiction should provide information under its network of agreements in a timely manner. (ToR C.5)

The assessment team is not in a position to evaluate whether this element is in place, as it involves issues of practice that are dealt with in the Phase 2 review.

Action taken:

The Liechtenstein Tay Authority has already developed considerable practical experience in executing EOI requests from the Liechtenstein treaty partners.

It has received 23 EOI requests so far from 5 countries: 1 request in 2010, 11 in 2011 and 22 in 2012 (until 22 May 2012). 1 request was responded to in 2010, 10 in 2011 (1 rejected). Appeals were lodged in only 2 cases so far, both were dismissed.

Vaduz, 15 June 2012

Annex 3: List of All Exchange-of-Information Mechanisms in Force[8]

	Jurisdiction	Type of EOI arrangement	Date signed	Date in force
1	United States of America	TIEA	08.12.2008	01.01.2010
2	United Kingdom	TIEA	11.08.2009	02.12.2010
	United Kingdom	DTC	11.06.2012	
3	Luxembourg	DTC	26.08.2009	17.12.2010
	Germany	TIEA	02.09.2009	28.10.2010
	Germany	DTC	17.11.2011	
5	Andorra	TIEA	18.09.2009	10.01.2011
6	Monaco	TIEA	21.09.2009	14.07.2010
7	France	TIEA	22.09.2009	19.08.2010
8	San Marino	DTC	23.09.2009	19.01.2011
9	St. Vincent and Grenadines	TIEA	02.10.2009	16.05.2011
10	Ireland	TIEA	13.10.2009	30.06.2010
11	Belgium	TIEA	10.11.2009	
12	Netherlands	TIEA	10.11.2009	01.12.2010
13	Antigua and Barbuda	TIEA	24.11.2009	16.01.2011
14	St. Kitts and Nevis	TIEA	11.12.2009	14.02.2011
15	Hong Kong, China	DTC	12.08.2010	08.07.2011
16	Uruguay[8]	DTC	18.10.2010	03.09. 2012
17	Denmark	TIEA	17.12.2010	07.04.2012

8. Entered into force after August 2012 and, therefore, not included in the analysis under element C.1.8 of this Report.

	Jurisdiction	Type of EOI arrangement	Date signed	Date in force
18	Faroe Island	TIEA	17.12.2010	03.04.2012
19	Finland	TIEA	17.12.2010	04.04.2012
20	Greenland	TIEA	17.12.2010	13.04.2012
21	Iceland	TIEA	17.12.2010	31.03.2012
22	Norway	TIEA	17.12.2010	31.03.2012
23	Sweden	TIEA	17.12.2010	08.04.2012
24	Australia	TIEA	21.06.2011	21.06.2012
25	Japan	TIEA	05.07.2012	

Annex 4: List of All Laws, Regulations and Other Material Received

Corporate Laws

Law of 22 March 2012 on Amendment of the Persons and Companies Act dealing with accounting provisions

Draft of Act concerning the Amendment of the Persons and Companies Act in relation to bearer shares and levy of sanctions