Global Forum on Transparency
and Exchange of Information for Tax Purposes

# Supplementary Peer Review Report
# Phase 1
# Legal and Regulatory Framework

## URUGUAY

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.

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 a jurisdiction's 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 and 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 adopted by the Global Forum.

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 Uruguay to its legal and regulatory framework for transparency and exchange of information. It complements the Phase 1 Peer Review report of Uruguay which considered the legal and regulatory framework in place as at July 2011 and which was adopted and published by the Global Forum on Transparency and Exchange of Information for Tax Purposes in October 2011 (the "2011 Report").

2. Uruguay has, in the three years since its 2009 commitment to implement the international standard, been actively developing its network of exchange of information (EOI) mechanisms. The 2011 Report noted that Uruguay had begun to update its domestic laws, in particular with regard to accessing bank information. Since the 2011 Report, Uruguay has also issued Decree No. 313/011 of 2 September 2011, as amended by Decree No. 253/012 of 8 August 2012, which sets out procedures for the handling of requests for exchange of information in Uruguay, both under its double tax conventions (DTCs) and tax information exchange agreements (TIEAs). In the last 12 months, Uruguay has doubled its EOI network which currently encompasses EOI agreements with 20 jurisdictions, including 12 DTCs and eight TIEAs, six of which are in force. Uruguay has completed all internal procedures for ratification in relation to four further agreements and is awaiting the completion of corresponding procedures in the partner jurisdictions. Significantly, it has prioritised negotiations with its main trading partners, which resulted in the signing of a TIEA with Argentina in April 2012 and concluding negotiations of the text of an EOI agreement with Brazil which is expected to be signed shortly.

3. The 2011 Report noted shortcomings with respect to the availability of ownership information and a lack of requirements to keep underlying accounting documentation. Since then, Uruguay enacted Law No. 18 930 of 17 July 2012, which contains a mixture of provisions to address the 2011 Report recommendations. Uruguay also adopted Decree No. 247/012 of 2 August 2012 and Decree No. 242/012 of 1 August 2012 which supplement Law No. 18 930 by specifying details and providing timeframes for the obligations set out therein.

The abovementioned legislation addresses the 2011 Report recommendation on foreign companies and makes progress in addressing the availability of ownership information for bearer shareholdings and the availability of relevant enforcement measures. However, it remains that whilst Uruguay's ability to access relevant information is generally sound, a few concerns are noted in relation to both availability of, and access to, information.

4. The 2011 Report found that in most cases, the Commercial Code, Business Partnerships Law (which covers companies and partnerships) and Trusts Law, as supplemented by the regulatory system covering financial intermediaries, the anti-money laundering regime and the Tax Code create sufficient requirements to ensure the availability of ownership and identity information. Nevertheless, bearer shares may still be issued by corporations and joint-stock companies. Since the 2011 Report, Uruguay enacted Law No. 18 930 which sets out a reporting regime to address the issue of availability of ownership information in this regard. However, a gap remains in this reporting mechanism to sufficiently ensure the availability of ownership and identity information in all cases. Further, whilst Law No. 18 930 provides for enforcement measures to support ownership and identity obligations in the context of a sale or assignment of ownership, in relation to bearer shareholdings and for relevant foreign companies, the existence of enforcement measures in some other instances remains unclear.

5. Concerning accounting records, the 2011 Report found that most entities and arrangements are subject to clear requirements to retain all relevant accounting records, including underlying documents for a fiveyear minimum period. Since the 2011 Report, entities and trusts not subject to tax in Uruguay are also now legally required to maintain accounting records and underlying documents for a minimum of five years.

6. As noted in the 2011 Report, the requirement to keep all relevant banking information is established by the obligations imposed on all financial intermediaries. No changes have occurred in relation to element A.3 (banking information) since the 2011 Report.

7. Accessing information to respond to an EOI request relies upon the broad powers available to Uruguay's tax authority for domestic tax purposes. For accessing bank information, a special regime is in place which requires approval from a Court. This special regime appears to be generally effective, but raises an issue regarding an obligation to notify the taxpayer which does not appear to be consistent with the standard. Since the 2011 Report, Uruguay brought into force Decree No. 313/011 which sets the procedure for exchange of information by Uruguay, under its DTCs and TIEAs. The Decree provides for prior notification to the person who is the subject of the EOI request, without any clear exception. The lack of clear exceptions from this notification requirement potentially hinders effective exchange of information (*e.g.* in

urgent cases and where such notification could harm the investigations of the requesting jurisdiction). Accordingly, a recommendation is made that the application of appropriate exceptions should be clarified to ensure that the notification requirement does not hinder effective exchange of information.

8. Uruguay has made clear progress in the course of the last three years towards implementing its commitment to the internationally agreed standard for EOI, in particular in terms of the significant progress it has made in developing its network of EOI agreements with relevant partner jurisdictions. Nevertheless, there remains work to be done, in particular, its legislative framework to ensure the availability of ownership and identity information is still in need of improvement in relation to bearer shareholdings and there is some uncertainty about the interaction of bank secrecy provisions with effective access to information.

9. Considering the steps undertaken by Uruguay to remedy the deficiencies highlighted in the 2011 Report adopted by the Global Forum in October 2011, Uruguay can now move to Phase 2. Any further developments in the legal and regulatory framework, as well as the application of the framework to EOI practice in Uruguay, will be considered in detail in the Phase 2 Peer Review which is scheduled for the first half of 2014.

# Introduction

## Information and methodology used for the peer review of Uruguay

10. The assessment of the legal and regulatory framework of Uruguay was based on the international standards for transparency and exchange of information as described in the Global Forum's Terms of Reference, and was prepared using the Global Forum's Revised Methodology for Peer Reviews and Non-Member Reviews. The supplementary report was based on information available to the assessment team including the laws, regulations, and exchange of information mechanisms in force or effect as at August 2012, and information supplied by Uruguay and partner jurisdictions. It follows the Phase 1 Report of Uruguay which was adopted and published by the Global Forum in October 2011.

11. The Terms of Reference break 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) exchanging information. This review assesses Uruguay'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 either (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. In particular, this report considers changes in Uruguay's legal and regulatory framework which relate to seven of its essential elements (elements A.1, A.2, B.1, B.2, C.1, C.2 and C.4).

12. The supplementary review was conducted by a team which consisted of two assessors and two representatives of the Global Forum Secretariat: Mr. Cleve Lisecki, Special Counsel (International) in the Large Business & International Division Counsel Office of the United States Internal Revenue Service; Mrs. Alexandra Storckmeijer Sansonetti, international tax expert of the State Secretariat for International Financial Matters, Swiss Federal Department of Finance; Ms. Doris King and Ms. Renata Fontana of the Global Forum Secretariat.

13. 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 report, is set out at the end of this report.

# Compliance with the Standards

## A. Availability of Information

### Overview

14. Effective exchange of information requires the availability of reliable information. This report considers the legal and regulatory framework now in place in Uruguay regarding the availability of ownership information, accounting records and banking information. It follows the Phase 1 Report of Uruguay which was adopted and published by the Global Forum in October 2011 (the "2011 Report").

15. The 2011 Report concluded that element A.1 (availability of ownership information) was "not in place" as: (i) foreign-incorporated companies carrying on business in Uruguay were not subject to requirements to keep ownership information; (ii) there was no requirement for nominees to have, or make available, information about the person on whose behalf the shares are registered; (iii) there were no mechanisms to ensure that ownership information in relation to bearer equity issuing entities was available; and (iv) it was not clear that there were effective enforcement provisions to support the relevant ownership and identity information requirements for companies (other than corporations) and partnerships.

16. With respect to element A.2 (availability of accounting information), the 2011 Report concluded that this element was "in place, but certain aspects of the legal implementation of the element need improvement" as (i) the requirement to maintain underlying documentation was not clearly established for relevant companies and partnerships to the extent they are not

liable to tax under Uruguayan law; and (ii) trusts that are not subject to tax in Uruguay (*i.e.* guarantee trusts) are not subject to requirements to keep reliable accounting records, including underlying documents, for any minimum period of time.

17. Since the 2011 Report was adopted, Uruguay has enacted Law No. 18 930 of 17 July 2012 and adopted two accompanying Decrees, which are collectively designed to implement the 2011 Report recommendations mentioned above. Law No. 18 930 sets out an ownership reporting regime in relation to bearer shares and for foreign companies which are either effectively managed or conduct business through a permanent establishment in Uruguay. In addition, Law No. 18 930 provides for: (i) the registration of the sale or assignment of ownership in business partnerships (which includes both companies and partnerships), associations and agricultural partnerships with the Uruguayan tax authorities; (ii) reporting obligations in relation to nominee holdings of bearer equity; and (iii) requirement for the maintenance of accounting records and underlying documentation in relation to trusts which are not supervised by the Uruguayan Central Bank (UCB).

18. Further details in relation to the operation of the bearer share reporting regime are provided in Decree No. 247/012 of 2 August 2012. Decree No. 242/012 of 1 August 2012 amends Decree No. 597/988 to provide specific timeframes for the registration of transfer of ownership in, amongst others, business partnerships (which includes both companies and partnerships) other than corporations with the Uruguayan tax authority. Decree No. 242/012 also set out a requirement for entities not subject to Uruguayan tax to maintain underlying accounting documentation for five years.

19. In relation to element A.1, it is noted that Law No. 18 930 and the accompanying Decrees make positive steps towards addressing the 2011 Report recommendations; however concerns still remain in relation to the following issues. The bearer share reporting regime set out by Law No. 18 930 and Decree No. 247/012 provides for reporting obligations in relation to existing bearer shareholdings, and also upon transfer and new issuance of bearer shares. Stringent penalties apply to both non-compliant shareholders and issuing entities; however, concerns remain that in some cases transfers of bearer shareholdings may remain undetected and ownership information remain unavailable to the Uruguay tax authorities. The ownership reporting obligations introduced by Law No. 18 930 and Decree No. 247/012 on foreign companies having sufficient nexus with Uruguay adequately address the 2011 Report recommendation, which is accordingly removed.

20. Finally, Law No. 18 930 together with Decree No. 242/012 and Decree No. 247/012 provide for enforcement provisions to support a new obligation to register transfers of ownership in companies (excluding corporations) and partnerships with the Uruguayan tax authorities prior to the

registration of such information with the NRC, and also to support provisions to ensure the availability of ownership information for foreign companies and in relation to bearer shareholdings. However, the availability of enforcement provisions remains unclear in relation to ensuring the availability of ownership information in the context of the initial formation of Uruguayan companies and partnerships which are neither corporations nor issue bearer equity interests.

21. In sum, the 2011 Report recommendations relating to bearer shares and enforcement provisions are amended to reflect the recent positive steps taken by Uruguay; and the 2011 Report recommendations relating to availability of ownership information for relevant foreign companies and nominee shareholdings are removed. Accordingly, the determination in relation to element A.1 is upgraded to "in place, but certain aspects of the legal implementation of the element need improvement".

22. Decree No. 242/012 addresses the recommendation under A.2 in relation to the maintenance of underlying records for a minimum period by entities which are not subject to tax in Uruguay. It also addresses the recommendation under A.2 in relation to the maintenance of accounting records and underlying documentation for a minimum period by trusts not subject to tax in Uruguay. The record retention requirement set out in Decree No. 242/012 is supplemented by obligations under the UCB regulations and Section 23 of Law No. 18 930, which provide respectively for trusts (whether subject to tax or otherwise) to maintain underlying documentation for ten years. Accordingly, the recommendations under A.2 are removed and the determination in relation to element A.2 is upgraded to "in place".

23. Finally, element A.3 (availability of banking information) was found to be "in place" in the 2011 Report and this element has not been reassessed in the present supplementary report.

## 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.

24. The 2011 Report found that there are effective requirements in place to ensure the availability of ownership and identity information in respect of business partnerships (a term which encompasses both companies and partnerships), as well as relevant trusts and foundations, with three significant exceptions:

- Firstly, there are no mechanisms in place to ensure that ownership and identity information is available in relation to bearer shares issued by corporations and joint-stock companies.

- Secondly, there are no requirements under Uruguayan law for the maintenance of ownership information by foreign-incorporated companies carrying on business in Uruguay.
- Thirdly, there are no requirements for nominees to have, or make available information, about the person on whose behalf the shares are registered.

25. In addition, the 2011 Report found that enforcement provisions to support the availability of information with respect to companies (other than corporations) and partnerships are not clear. The following analysis is limited to enumerated aspects A.1.1, A.1.2, A.1.3 and A.1.6 and the extent to which the recommendations therein are addressed.

### ***Companies** (ToR A.1.1), **Bearer Shares** (ToR A.1.2) and **Partnerships** (ToR A.1.3)*

26. Law No. 18 930 of 17 July 2012 and Decree No. 247/012 of 2 August 2012 established an ownership reporting mechanism for bearer shares issued by Uruguayan resident entities (as well as other bearer instruments including bonds, beneficial participation notes and coupons) and any form of shares issued by foreign entities which have their place of effective management, or conduct business through a permanent establishment, in Uruguay (ss. 1 and 2 of Law No. 18 930). In both cases, where representatives act on behalf of the share owners, they are required to provide identity information in relation to the persons on whose behalf they act. The term "entities" includes trusts and investment funds. The reporting obligations apply in relation to both relevant shares existing at the effective date of Law No. 18 930 (*i.e.* 1 August 2012) as well as new issuances after this date. Publicly listed companies and companies that entirely transform their issued bearer shares into registered shares by 1 October 2012, *i.e.* within 60 days of the effective date of Law No. 18 930, are exempt from the reporting obligations (ss.15 and 17 of Law No. 18 930; s. 20 of Decree No. 247/012).

27. Under the reporting mechanism set up by the Law No. 18 930:

- Shareholders must report to the issuing entity, within 60 days of Law No. 18 930 coming into effect, *i.e.* by 1 October 2012: (i) identification information (see para 28 below); and (ii) the face value of the securities which they own (ss. 1 and 6 of Law No. 18 930). Where an issuing entity fails to provide the owner with a certificate within 30 days of submission of the information to the UCB (as described in the next point), the shareholder may file this information directly with the UCB (s. 6 of Law No. 18 930; s. 12 of Decree No. 247/012).

- Regardless of the shareholders' compliance with their reporting obligation above, the issuing entity must report this information (to the extent available), its total equity in par value and the equity interest of each owner to the UCB, through an affidavit, within 120 days of the effective date of Law No. 18 930, *i.e.* by 1 December 2012 (s. 6 of Law No. 18 930; s. 19 of Decree No. 247/012). Where an entity does not receive complete information from all shareholders, it is nevertheless required to fulfill its reporting obligation by filing a partially complete affidavit with the information that it possesses; however, an entity will not be considered to have fulfilled its reporting obligation by filing a blank affidavit (s. 10 of Decree No. 247/012). An entity must issue a certificate to the relevant shareholder to evidence its reporting to the UCB. The entity must also retain the filed information for five years (s. 6 of Law No. 18 930).
- In relation to new issuance of bearer shares after the effective date of Law No. 18 930, owners must report to the issuing entity within 15 days from the issuance of the shares and the issuing entity will have 30 days from the expiry of that 15-day period to comply with its reporting obligations to the UCB (ss. 4 and 7 of Decree No. 247/012).
- A relevant entity must notify the UCB whenever its incorporation agreement is amended such that there is a change in the capital structure of the entity which alters the owners' percentage of total equity interest (s. 7 of Law No. 18 930; s. 8 of Decree No. 247/012).
- In relation to transfer of ownership, the new shareholder must notify the issuing entity within 15 days, providing his/her identity information, identity information relating to the transferor and also the date of transfer (s. 6 of Decree No. 247/012). The issuing entity must report this information to the UCB within 30 days of receipt of such information (s. 8 of Decree No. 247/012).
- The UCB maintains a register of the reported ownership information and issues certificates to evidence the registration status of issuing entities and natural persons under this reporting regime (s. 3 of Law No. 18 930). The register maintained by the UCB is available to the Uruguayan tax authorities, including for EOI purposes, subject to the provision of a resolution by the General Revenue Director (s. 5(a) of Law No. 18 930; s. 18 of Decree No. 247/012).

28. Decree No. 247/012 specifies a comprehensive list of identity information which must be provided by shareholders, in their affidavit to the issuing entity, in order to comply with their reporting obligations (s. 2 of Decree No. 247/012). In the case of natural persons this includes, amongst other things, the name of the owners, place of domicile, nationality, identity card

number, foreign tax identification number issued by the Uruguayan tax authorities or identifying document issued by another jurisdiction, as appropriate. In the case of reporting shareholders which are legal persons, the information required includes: the name of the entity, the place and date of incorporation, its place of domicile, the consolidated taxpayers register number or foreign tax identification number issued by the Uruguayan tax authorities, as applicable. In each case, the extent of the information required is sufficient for the identification of the shareholder. Shareholders are required to inform the issuing entity of any change to the reported information within 15 days of the change, and the entity is in turn required to report this to the UCB within 30 day of receipt of the information (ss. 5 and 8 of Decree No. 247/012).

29. In the context of a transfer of shares, Law No. 18 930 imposes an obligation on the new owner to ensure that the transferor provides some certifiable evidence to demonstrate that he/she has fulfilled his/her reporting obligations with the UCB. A new owner which fails to do so will be held jointly and severally liable for the penalties imposed on the transferor, as a non-compliant owner (s. 10 of Law No. 18 930).

30. Failure by the new owner to comply with his/her obligation to request certifiable evidence from the transferor will not impede the transfer of share ownership from the transferor to the new owner in the case where the transferor has complied with his/her own reporting obligation (pursuant to ss.1 and 6 of Law No. 18 930). However, in such event, the new owner will become subject to the obligation to report to the issuing entity (ss.1 and 6 of Law No. 18 930). In his/her notification to the issuing entity, the new owner must provide identifying information on the transferor as well as state the date of the transfer (s. 6 of Decree No. 247/012). Where the new owner fails to report his/her ownership and identification details to the issuing entity within 15 days of the transfer, he/she will be unable to exercise any rights as shareholder, whether as against the entity or a third party, until he/she has remedied the situation by complying with the reporting obligations and paid the relevant fine (s. 6 of Decree No. 247/012; s. 8 of Law No. 18 930).

### *Consequences of non-compliance*

31. Shareholders who have not complied with their reporting obligations to the issuing entity will be "unable to exercise any right to which they may be entitled as equity interest, in relation to the issuing entity or third parties" (s. 8(a) of Law No. 18 930). Uruguayan authorities indicated this entails that the ownership of shares cannot be legally transferred by the non-compliant shareholder to another person, although this is not explicitly so stated in the law. In addition, issuing entities cannot pay dividends, profits or capital from the winding up of the entity to non-compliant shareholders (s. 8(a) of Law No. 18 930). However, these impediments to the exercise of shareholder rights

may be removed once the non-compliant shareholder fulfils his/her reporting obligations, outside of the stipulated timeframe, and pays the relevant fines which are further described below. Accordingly, the consequence of noncompliance with the reporting obligations is a suspension (in addition to sanctions described below), but not a termination, of shareholder rights.

32. A gap remains under this reporting regime as regards ensuring that bearer shareholders cannot remain undetected by the Uruguayan authorities for a potentially extended period of time, outside the stipulated timeframes for reporting described above. This arises as result of the possibility of re-activation of the exercise of shareholder rights as described above, once the non-compliance with reporting obligations is rectified and accrued fines (as described in paragraph 35 below) are paid. Accordingly, a holder of a bearer share could, in effect, remain anonymous until the point where it was necessary to exercise his/her rights in the company. This may be a particular concern in relation to, non-trading, asset holding, closely held companies which do not regularly pay out dividends to their shareholders.

33. In addition, as a result of the possibility of re-activation of shareholder rights, a gap could remain in practice under this reporting regime as regards to ensuring that bearer shares cannot continue to be transferred undetected by the Uruguayan authorities in some cases. Both in respect of existing bearer shares and new issuances, non-compliance with reporting obligations within the initial reporting period by the original bearer shareholder (*i.e.* by 1 October 2012 for existing bearer shareholdings, and within 15 days of the issuance of new bearer shares) will result in the suspension in the exercise of his/her shareholder rights for the duration of their default. As noted above, Uruguay indicated that this means any transfer of ownership during such period would lack legal effect. However, this may not necessarily deter transferees from entering into such transfer arrangements in all cases, where it is known that the exercise of shareholder rights is merely suspended, and not terminated. However, it is noted that in such instance, the transferor will need to pay the accrued fine (described in paragraph 35 below) which could potentially be significant.

34. In these cases, it may be possible for ownership of bearer equity to be transferred, perhaps multiple times, without detection. A new owner may then report their ownership identification information to the issuing entity at a later date – for example, upon the declaration of dividend by the entity so as to safeguard their right to receive such payments and exercise their right as an equity holder. Although there is a separate obligation for the buyer (in his/her role as transferee) to report the change in ownership to the issuing entity (s. 6 of Decree No. 247/012), this does not necessarily eliminate the risk that where the original bearer shareholder (transferor) did not comply with his/her reporting obligations within relevant initial reporting period (described

in paragraph 33 above), that a transferee could simply report to the issuing entity outside of the specified period, as though remedying the original failure to report (as though he/she was an existing bearer shareholder during that initial reporting period) and thereby regain his/her ability to exercise full shareholder rights. The practical significance of this potential gap will be assessed in the Phase 2 review of Uruguay.

### *Sanctions and enforcement provisions under the reporting regime*

35. A number of sanctions apply to both owners and issuing entities in the event of non-compliance with the above obligations; although no sanctions apply to the UCB, as a government authority. As mentioned above, owners who fail to comply with their reporting obligations cannot exercise their rights in relation to their equity interest, either as against the company or a third party, including rights to dividends (s. 8(a) of Law No. 18 930). Uruguay indicated that this suspension of rights also entails that legal ownership cannot be transferred by the non-compliant owner to another person, although this is not explicitly so stated in the law. Non-compliant owners are further subjected to administrative fines. The amount of fines which may be applied depends upon the size of the issuing entity, their relative participation in such entity and the length of time for which they have held the shares and ranges from UYU 5 000 to UYU 500 000 (approximately USD 250 to USD 25 000, ss. 8 of Law No. 18 930 and s. 17 of Decree No. 247/012). The National Internal Audit (NIA) is tasked with enforcement and collection of fines under this reporting regime (s. 4 of Law No. 18 930). However, the mechanism by which fines may be collected from nonresident persons is not clear.

36. There are also significant sanctions on non-compliant entities. An entity which fails to report to the UCB "on time" may be presumed "inactive" and the General Taxation Office may discontinue its certificate which is necessary for, amongst other things, the sale or levy of real estate, the distribution of profits or earnings and the initiation of proceedings in relation to commercial or industrial activities (s. 12 of Law No. 18 930 and art. 80 of Amended Text 1996, Title I). In addition, relevant entities which do not comply with their reporting obligations cannot register any of their legal acts in the registers maintained by the General Registries Office (s. 14 of Decree No. 247/012). Uruguayan authorities indicated that both these sanctions have a significant detrimental impact on the ability of such entities to conduct business or hold assets. Administrative fines also apply to entities for non-compliance: the level of fines for failure to report is the same as applicable to owners (s. 9 of Law No. 18 930 and s. 17 of the Supplementary Decree). Issuing entities which pay out dividends to a non-compliant owner are liable to a fine equal to the amount unduly distributed (s. 9 of Law No. 18 930). Representatives of the issuing entity are held personally liable for all

penalties imposed upon the entity to the extent of his/her culpability (s. 9 of Law No. 18 930 and s. 17 of Decree No. 247/012).

37. Concerns exist in relation to the exercise of these sanction powers in practice. In particular, a concern relates to the ability of the UCB or the NIA to detect non-compliance with reporting obligations by the issuing entities in the context of the transfer of share ownership or change of shareholder information, as there is not a single uniform date for compliance by all relevant issuing entities (unlike the reporting obligations in relation to the initial transition period pursuant to s. 19 of Decree No. 247/012 where all such entities must report by 1 December 2012 in order to comply). However, it is noted in this regard that the NIA has powers to collect information deemed necessary from the UCB, issuing entities, owners and representatives for verification purposes and to ensure that the reporting obligations are complied with (s. 15 of Decree No. 247/012). Such checks could allow the NIA to detect the incidences of non-compliance with reporting obligations as described above. The effectiveness of the enforcement provisions will be closely monitored in the Phase 2 review of Uruguay.

### *Ownership information in relation to bearer shares*

38. As described above, Law No. 18 930 and Decree No. 247/012 provide comprehensive detail on the operation of the reporting obligations by shareholders and issuing entities in cases of existing bearer shareholdings, transfer of such shareholdings and new issuance of bearer shares. There are also significant accompanying sanctions which apply to non-compliant shareholders, issuing entities and their representatives. In particular, it is noted that the significant levels of fines which can be potentially imposed both in relation to shareholders and issuing entities should provide a strong deterrent in most cases against noncompliance with the reporting obligations. A concern remains with regard to how these penalties may be collected in practice, in particular in relation to non-compliant shareholders which are not resident or otherwise located in Uruguay. In addition, there are concerns as to the ability for the enforcement bodies to detect non-compliance with reporting obligations in the context of transfer of ownership or change in ownership details. As mentioned above, the effectiveness of the enforcement provisions will be verified in the Phase 2 review of Uruguay.

39. However, a gap remains under this reporting regime as regards to ensuring that bearer shareholders cannot remain undetected by the Uruguayan authorities for a potentially extended period of time, outside the stipulated timeframes for reporting described above. A holder of a bearer share could in effect remain anonymous until the point where it was necessary to exercise his/her rights in the company, due to the possibility of the re-activation of shareholders rights at a later date (as described in paragraphs 31-32 above).

It is also noted that the susceptibility of the reporting regime to undetected transfers in practice should be assessed in the Phase 2 review of Uruguay. Therefore, although it is noted that significant positive steps have been taken by Uruguay in the establishment of the bearer share reporting regime through Law No. 18 930 and Decree No. 247/012, in light of the above concerns, it is considered that further clarification should be provided in Uruguayan legislation to ensure that this gap is eliminated. Accordingly, the 2011 Report recommendation under element A.1 is amended to acknowledge the positive steps taken by Uruguay to date and to encourage Uruguay to take further steps which are necessary such that the reporting regime effectively ensures the availability of ownership information in relation to bearer shareholdings in all cases: in particular, with respect to undetected transfers by existing shareholders who have not complied with their reporting obligations during the initial reporting period.

### *Foreign companies*

40. As mentioned in paragraph 26, the reporting regime as described above applies also to ownership information on foreign entities which either have their place of effective management in Uruguay or conduct business through a permanent establishment in Uruguay (ss. 2 and 6 of Law No. 18 930; s. 1(II) of Decree No. 247/012). Pursuant to this reporting regime, these relevant foreign entities are required to provide information to the UCB on the identity of their owners within 120 days of the effective date of Law No. 18 930, *i.e.* by 1 December 2012 (s. 19 of Decree No. 247/012). Furthermore, such relevant foreign entities must report all changes in ownership to the UCB within 30 days of receipt of such information (s. 8 of Decree No. 247/012).

41. These reporting requirements are supported by a range of sanctions which apply to non-compliant foreign companies: administrative fines apply to both the non-compliant entities and to their representatives (to the extent of their culpability). The amount of fines which may be applied depends upon the size of the issuing entity, their relative participation in such entity and the length of time for which they have held the shares and ranges from UYU 5 000 to UYU 500 000 (approximately USD 250 to USD 25 000, ss. 8 of Law No. 18 930 and s. 17 of Decree No. 247/012). In addition, a noncompliant entity may have its certificate discontinued by the General Taxation Office and be denied the right to register their legal acts in the registers maintained by the General Registries Office, both of which are necessary for the conduct of business and/or holding of assets in Uruguay (s. 12 of Law No. 18 930 and art. 80 of title 1 of the Amended 1996 Text; s. 14 of Decree No. 247/012).

42. As with the sanctions that apply to non-compliance with the bearer share reporting regime, a concern arises as to the exercise of these sanctions

in practice, in particular in the context of ensuring the reporting of by the relevant foreign entity in relation to subsequent transfer of ownership (see paragraph 37 above). Therefore, the 2011 Report recommendation on ensuring the availability of ownership information in relation to relevant foreign companies is removed; however, the effectiveness of the enforcement provisions will be examined in the Phase 2 review of Uruguay.

*Registration of sale and assignment of stakeholdings in business partnerships*

43. Section 22 of Law No. 18 930 sets out a new requirement for the registration of sale of stakeholdings in business partnerships (which include both companies and partnerships) with the tax authority prior to registration of such transfer with the General Registries Office which controls the National Registry of Commerce (see paragraphs 43 and 55 of the 2011 Report). This is supplemented by Decree No. 247/012 which provides that registration of such sale and assignment with the tax authority must occurs within 30 days of the contract of sale or assignment (s. 1 of Decree No. 242/012, inserting s. 30(bis) in Decree No. 597/988). This new registration requirement is supported by enforcement provisions under the Tax Code (see A.1.6 below).

44. The impact of this new registration requirement, and its interaction with the existing requirement to register with the NRC, should be closely monitored in the Phase 2 review of Uruguay.

*Nominees*

45. The 2011 Report found that there was no requirement for nominees to have, or make available, information about the person on whose behalf shares are registered.

46. The concept of nominee shareholding and the distinction between legal and beneficial ownership that exist in some jurisdictions, in particular common law jurisdictions, does not exist in Uruguayan law. The legal owner of registered shares of companies registered in Uruguay is in principle considered to be the beneficial owner.

47. The concepts of mandatario and carta poder do exist in Uruguayan law, however, these are quite different from the concept of nominee ownership. Mandatarios are persons acting as long term representatives of a shareholder, whose scope of representation is specified in the power of attorney under which such power is granted. Holders of carta poder are persons acting as short term representatives of a shareholder (such as for one specific meeting which the shareholder is unable to attend); his/her scope of representation is set out in a letter executed by a notary, in relation to a specific

occasion. Specifically, neither a mandatario nor a holder of carta poder is the legal or beneficial owner of shares.

48. In any event, identity information relating to the principal of a mandatario or carta poder arrangement (*i.e.* the shareholder) will be documented and available. Both types of documentation through which powers of representation are granted must be prepared by a notary, who is subject to customer due diligence requirements under Uruguayan anti-money laundering legislation to identify the beneficial owner in any document they authorise (Article 9, AML/FT Decree No 355/010). Accordingly, both the power of attorney (in relation to *mandatarios*) and the letter in relation to grant of power to a holder of *carta poder* must state identity information in relation to both the principal and the representative, including their names, addresses, identity numbers and nationalities (Public Notaries Regulations, Title IV, Chapter I, s. 130). Such documents must be filed with the company prior to attendance by the representative at the relevant shareholders' meeting (Business Partnerships Law, ss. 350 and 351). In this regard the evolved view of the Global Forum on this issue of *mandatarios*, as reflected in other reports adopted since Uruguay's review, is noted.

49. Law No. 18 930, enacted since the 2011 Report, provides that representatives acting on behalf of owners of bearer shares issued by Uruguayan entities and any form of shares issued by relevant foreign entities must report to the issuing entity identification information in relation to "the security owner and anyone who develop the functions of holding, custody or representation" (ss. 1 and 2). Uruguayan authorities indicated that the representatives contemplated as within the scope of this obligation are mandatarios and holders of carta poder, consistent with the understanding of these concepts under Uruguayan law as described above.

50. Therefore, having regard to the evolved view of this issue by the Global Forum as reflected in other reports adopted since Uruguay's review, it is appropriate that the recommendation in relation to nominees is deleted.

### *Enforcement provisions to ensure availability of information (ToR A.1.6)*

51. The 2011 Report found that while there are effective enforcement provisions in support of the relevant ownership and identity information requirements for corporations, trusts and foundations, the enforcement measures available with respect to other types of companies and partnerships are not clear.

52. Since the 2011 Report, the sale or assignment of stakeholdings in business partnerships (which include both companies and partnerships), apart from those in corporations or partnerships limited by shares must

be registered with the Tax Authority within 30 days, prior to registration with the General Registries Office (s. 22 of Law No. 18 930; s. 1 of Decree No. 242/012 – see paragraph 43 above). The Uruguayan authorities indicated that this requirement sets out an obligation within the remit of the Tax Authority; therefore Section 95 of the Tax Code applies in the event of non-compliance. Under Section 95 of the Tax Code, violation of laws or regulations passed by "the corresponding bodies that determine formal duties" is punishable by a fine ranging from UYU 240 to UYU 4 750 (USD 11 to USD 431) for 2012.

53. In addition, as discussed in A.1.1 and A.1.2 above, sanctions are provided to support the reporting obligations in relation to bearer shareholdings and ownership information on relevant foreign companies. In relation to both cases severe financial penalties apply to non-compliant persons (ss. 8 and 9 of Law No. 18 930 and s. 17 of Decree No. 247/012). Issuing entities which fail to comply with their reporting obligations can have their certificate issued by the General Taxation Office discontinued (s. 12 of Law No. 18 930 and s. 80 of Amended Text 1996, Title I) as well as lose their ability to register any of their legal acts in the registers maintained by the General Registries Office (s. 14 of Decree No. 247/012). Uruguayan authorities indicated that both these sanctions have a significant detrimental impact on the ability of such entities to conduct business or hold assets. In relation to non-compliant bearer shareholders, their exercise of shareholder rights is suspended for so long as the non-compliance remains unremedied (s. 8(a) of Law No. 18 930). As noted, concerns remain as to the exercise of these enforcement provisions in practice. Accordingly, the effectiveness of the enforcement provisions will be tested during the Phase 2 review of Uruguay.

54. However, a gap remains in relation to clarification of enforcement provisions which apply to support provisions to ensure the availability of ownership information outside of these circumstances – *i.e.* to ensure that ownership information is available in relation to the formation of Uruguayan companies (which are neither corporations nor issue bearer shares) and partnerships, as opposed to upon subsequent transfers. Accordingly, the 2011 Report recommendation is amended to reflect the positive steps taken by Uruguay to address this issue and to invite Uruguay to ensure that effective enforcement provisions are also available to support the availability of ownership in the context mentioned in this paragraph.

### *Conclusion*

55. In sum, the 2011 Report recommendations relating to bearer shares and enforcement provisions are amended to reflect the recent positive steps taken by Uruguay; and the 2011 Report recommendations relating to availability of ownership information for relevant foreign companies and nominees

are removed. Accordingly, the determination in relation to element A.1 is upgraded to "in place, but certain aspects of the legal implementation of the element need improvement".

**Determination and factors underlying recommendations**

| **Determination** | |
|---|---|
| **The element is ~~not~~ in place~~.~~, but certain aspects of the legal implementation of the element need improvement.** | |
| **Factors underlying recommendations** | **Recommendations** |
| ~~Foreign-incorporated companies carrying on business in Uruguay, are not subject to an express requirement to keep ownership information. Availability of such information will generally depend on the law of the jurisdiction in which the company is formed, and therefore may not be available in all relevant cases.~~ | ~~Uruguay should ensure that ownership and identity information is required to be maintained in respect of all foreign companies with a sufficient nexus with Uruguay.~~ |
| ~~There is no requirement for nominees to have, or make available, information about the person on whose behalf shares are registered.~~ | ~~Where shares or securities are registered in the name of a person, Uruguay should ensure that person is required to keep a record of the person on whose behalf the shares are registered.~~ |
| Although legal requirements have been introduced for the reporting of ownership information in relation to ~~B~~bearer shares ~~may be issued by corporations and joint-stock companies and~~, ~~there are no~~ these reporting mechanisms~~to~~ do not sufficiently ensure that the owners of such shares can be identified within the stipulated timeframes of the reporting regime. | Uruguay should take further steps ~~necessary measures~~ to ensure that appropriate reporting mechanisms are in place to effectively ensure the identification of~~y~~ the owners of bearer shares in all cases. |

| Determination | |
|---|---|
| **The element is ~~not~~ in place~~.~~, but certain aspects of the legal implementation of the element need improvement.** | |
| **Factors underlying recommendations** | **Recommendations** |
| ~~While t~~There are effective enforcement provisions in support of the relevant ownership and identity information requirements for corporations, bearer shareholdings and relevant foreign companies and also for other types of companies and partnerships in the context of the sale and assignment of ownership in such entities. However the enforcement measures available to ensure the availability of ownership and identity information outside of the context of such transfers, with respect to~~-~~ ~~other types of~~ Uruguayan companies (excluding corporations) and partnerships that do not issue bearer form equity, are not clear. | Uruguay should take steps to clarify that~~establish~~ effective enforcement provisions exist to support the requirements to keep relevant ownership and identity information for all types of companies and partnerships in all cases. |

## A.2. Accounting records

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

### ***Underlying Documentation*** *(ToR A.2.2) and* ***Document retention*** *(ToR A.2.3)*

56. The 2011 Report found that the Uruguayan legal and regulatory framework did not sufficiently ensure, in relation to guarantee trusts, the availability of accounting records, including underlying documentation, for any minimum period of time. The Tax Code sets out requirements for the keeping of reliable accounting records and underlying documentation for a minimum of five years which apply to all trusts except for guarantee trusts. Law No. 17 703 of 4 November 2003 (the "Trusts Law") itself does not set out any requirements for the maintenance of reliable accounting records and underlying documents for any minimum period of time. Therefore, to the extent that a trust is not subject to tax in Uruguay or is not a "taxpayer" (*i.e.* in the case of guarantee

trusts), it is not subject to requirements to keep reliable accounting records and underlying documentation for any minimum period of time.

57. The 2011 Report also found that the requirement to maintain underlying documentation is not clearly established for relevant entities and arrangements to the extent that they are not liable to tax under Uruguayan law. Examples of such persons included those operating in the Free Trade Zone or those persons with only non-Uruguayan source income. Accordingly, the 2011 Report recommended that in order to avoid any doubt in this regard Uruguay should include a specific requirement for all relevant entities and arrangements, regardless of their tax liability, to maintain underlying documentation for at least five years. Since the 2011 Report, Uruguay has enacted Law No. 18 930 and passed Decree No. 242/012 which set out express requirements to address these shortcomings.

58. Section 2 of Decree No. 242/012 dated 1 August 2012 amends Section 56 of Decree No. 597/988 such that the requirement to keep books, documents and correspondence at one's place of domicile, which originally only applied to taxpayers, also applies to "[b]usiness corporations, associations and agricultural partnerships, trusts, investment funds, civil societies and foundations" that are not subject to tax in Uruguay. Uruguayan authorities indicate that "books, documents and correspondence" includes "mandatory accounting books, and all documentation that support any records in the accounting books [including] invoices, receipts, contracts payroll, etc, issued and received if they are supporting an accounting record." Foreign entities which are either effectively managed, or conduct business through a permanent establishment, in Uruguay are also subject to the same obligation to retain underlying documentation. Uruguay indicated that a breach of Section 56 of Decree No. 597/988 (as amended) is a breach of a tax standard and financial penalties, ranging from UYU 240 to UYU 4 750 (USD 11 to USD 431) for 2012, would apply pursuant to Section 95 of the Tax Code.

59. Further record retention requirements are set out in relation to trusts which are not subject to tax in Uruguay. Trusts which are subject to UCB supervision, which includes all trusts (including guarantee trusts) managed by professional trustees, are subject to requirements to maintain reliable accounting records and underlying documentation for a minimum period of ten years (Section 255 of the compilation of UCB regulations, updated to 28 June 2012). Failure to comply with the record keeping requirements under the UCB regulations is punishable by the service of a subpoena, fines and/or suspension or termination of the person's activities on the securities market (Section 286 of the UCB regulations).

60. Trusts which are not subject to UCB supervision (*i.e.*, those mentioned by general trustees) are subject to requirement under Section 23 of Law No. 18 930 to maintain underlying documentation for a period of ten years.

## *Conclusion*

61. Section 56 of Decree No. 597/988 (as amended by Section 2 of Decree No. 242/012) provides an obligation for the keeping of underlying records for entities not subject to tax in Uruguay, which addresses the 2011 Report recommendation in relation to the maintenace of underlying documentation by relevant companies and partnerships not subject to Uruguay tax. This provision also addresses the 2011 Report recommendation in relation to the keeping of accounting records and underlying documentation for a minimum of five years by trusts not subject to tax. Accordingly, both 2011 Report recommendations are removed. Accordingly, the determination in relation to A.2 is upgraded to "in place".

**Determination and factors underlying recommendations**

| **Determination** | |
|---|---|
| **The element is in place~~, but certain aspects of the legal implementation of the element need improvement~~.** | |
| **Factors underlying recommendations** | **Recommendations** |
| ~~The requirement to maintain underlying documentation is not clearly established for relevant companies and partnerships to the extent they are not liable to tax under Uruguayan law~~ | ~~Uruguay should include a specific requirement for all relevant companies and partnerships, regardless of their liability to tax in Uruguay, to maintain underlying documentation for at least 5 years.~~ |
| ~~There is no express obligation under the Trust Law to keep reliable accounting records, including underlying documents, for any minimum period of time. Where a trust is not subject to tax in Uruguay or is not a "taxpayer" (*i.e.* a guarantee trust), there are no applicable obligations to keep reliable accounting records, including underlying documents, for any minimum period of time.~~ | ~~Uruguay should include a specific requirement for all trusts, regardless of their liability to tax in Uruguay, to maintain reliable accounting records, including underlying documentation for at least 5 years.~~ |

## A.3. Banking information

| Banking information should be available for all account-holders. |
|---|

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

62. The 2011 Report found that Uruguay had a legal framework in place to ensure the availability of relevant banking information for all account holders.

**Determination and factors underlying recommendations**

| Determination |
|---|
| **The element is in place.** |

# B. Access to Information

## Overview

63. A variety of information may be needed in a tax enquiry and jurisdictions should have the authority to obtain 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, such as partnerships and trusts, as well as accounting information in respect of all such entities.

64. The 2011 Report noted that element B.1 (access to information) was "in place, but certain aspects of its legal implementation need improvement". In particular, while legislation was amended to expressly provide for the lifting of banking secrecy for the purposes of an EOI request, such provision only applied to bank information from 2 January 2011 and not to information prior to that date which might nevertheless be relevant to an EOI request. In addition, the 2011 Report found that in relation to information held by trustees, a duty of confidentiality may, in some cases, impede access to information sought for EOI purposes where the trust was not subject to tax in Uruguay.

65. Since the 2011 Report, Uruguay has adequately addressed the latter issue through introduction of an express override to trustee confidentiality in Law No. 18 930; however, there has been no new development in Uruguay in respect of the former issue. Therefore, although the recommendation made in the 2011 Report in relation to trustee confidentiality is removed, the determination for element B.1 is unchanged.

66. The 2011 Report noted that element B.2 (notification requirements and rights and safeguards) was "in place, but certain aspects of its legal implementation need improvement". The judicial process for accessing bank information lacked any exceptions to the obligation of prior notification which meant that effective access and exchange of information may be impeded. Since the 2011 Report, Uruguay has brought into force Decree No. 313/011 which sets out procedures in relation to exchange of information by Uruguay, under its DTCs

and TIEAs. Amongst other things, Decree No. 313/011 contains a prior notification provision, under which all persons who are the subject of the requested information must be notified, without any clear exception. The lack of clear exceptions from this notification requirement potentially hinders effective exchange of information (*e.g.* in urgent cases and where such notification could harm the investigations of the requesting jurisdiction). Accordingly, a recommendation is made that the application of appropriate exceptions should be clarified to ensure that the notification requirement does not hinder effective exchange of information.

## 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).

67. The 2011 Report made no recommendation in relation to enumerated aspect B.1.1. In September 2011, Uruguay brought into force Decree No. 313/011 which sets out domestic legal procedures in relation to exchange of information by Uruguay, under its DTCs and TIEAs. The requirements are in line with international standards.

68. The 2011 Report made no recommendations in relation to enumerated aspects B.1.2 to B.1.4, which are therefore not considered further in this report. In relation to enumerated aspect B.1.5, two recommendations were made in the 2011 Report recommending Uruguay to take steps to ensure that it can access trust information held by a trustee, regardless of whether the trust is subject to tax in Uruguay and also to ensure that all relevant bank information may be accessed for EOI purposes, regardless of the period to which the information relates.

### *Ownership and identity information* (*ToR B.1.1*)

69. Section 5 of Decree No. 313/011, as amended by Decree No. 253/012 of 8 August 2012, provides that in performing its preliminary assessment of the validity of an incoming EOI request, the Uruguayan tax authority must ensure that the request includes, as a minimum:

- elements allowing for it to identify the people or entities to which the requested information corresponds;
- elements allowing for it to identify people or entities who have, control or possess, within Uruguay's borders, the requested information;

- the period of time to which the information requested relates;
- detail of the requested information; and
- the tax purpose for which the information is requested.

70. Uruguay advised that the identification elements required under this provision are interpreted consistently with those provided in Article 5(5) of the Model TIEA, in particular, the wording "elements allowing for it to identify the peoples or entities to which the requested information corresponds" is to be interpreted in line with Article 5(5)(e) of the Model TIEA. Section 5 of Decree No. 313/011 is meant to ensure that the requesting state demonstrates the foreseeable relevance of a request. The Uruguayan authorities indicated that they will inform their EOI partners in the event that they do not think sufficient information has been provided by the EOI partner in their request.

71. In addition, Section 9 of Decree No. 313/011 states that the same limitation period will apply to an incoming request for information as is applicable under the domestic laws of the requesting jurisdiction. This reflects the principle that a jurisdiction can decline to provide information which the requesting jurisdiction would not be able to obtain under its own laws. This provision appears to be in conformity with the international standard.

72. Whether these provisions cause an impediment to the effective exchange of information in practice will be the subject of the Phase 2 review of Uruguay.

## ***Secrecy provisions*** *(ToR B.1.5)*

### *Secrecy of information held by banks*

73. The 2011 Report found that while legislation was amended to expressly provide for the lifting of banking secrecy for the purposes of an EOI request, such provision only applied to bank information from 2 January 2011 and not to information prior to that date which may nevertheless be relevant to an EOI request. There have been no new developments in Uruguay in respect of this issue and therefore the recommendation in relation to access to bank information remains unchanged.

### *Secrecy of information held by trustees*

74. The 2011 Report found that Article 19(c) of the Trusts Law imposed a confidentiality obligation upon trustees with regard to transactions, acts, contracts, documents and information relating to the trust. Access to such information would nevertheless be possible under article 68E of the Tax Code, in order to establish that a trust is not subject to tax. However, it was noted

in the 2011 Report that the information required to establish that there is no Uruguayan income would not appear to require a disclosure of all relevant information relating to the trust.

75. Section 19 of Law No. 18 930 states that: "The trustee confidentiality duty established under paragraph c), article 19 of Act 17 703, as of October 27, 2003, shall not be effective against the Tax Authority and the UCB." This provision expressly overrides the confidentiality provision described above with respect to disclosure of information to the Uruguayan tax authorities, both for domestic and EOI purposes, and regardless of the tax status of the trust.

76. Accordingly, the recommendation in relation to trustee confidentiality is removed. However, as the recommendation in relation to bank secrecy is unchanged, the determination for element B.1 remains "in place, but certain aspects of the legal implementation of the element need improvement".

**Determination and factors underlying recommendations**

<table>
<tr><th colspan="2">Determination</th></tr>
<tr><td colspan="2">The element is in place, but certain aspects of its legal implementation need improvement.</td></tr>
<tr><th>Factors underlying recommendations</th><th>Recommendations</th></tr>
<tr><td><s>Information held by a trustee which relates to a trust is protected by a confidentiality provision. Where the trust is not subject to tax in Uruguay but the trustee is located in Uruguay, there is no clear mechanism by which the confidentiality duty can be lifted to access the information for EOI purposes.</s></td><td><s>Uruguay should take steps to ensure that it can access trust information held by a trustee, regardless whether the trust is subject to tax in Uruguay.</s></td></tr>
<tr><td>Uruguay's ability to access bank information prior to 2 January 2011 is limited under its domestic legislation.</td><td>Uruguay should ensure that all relevant bank information may be accessed for EOI purposes, regardless of the period to which the information relates, to ensure they can give full effect to their EOI agreements.</td></tr>
</table>

## 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)

77. The 2011 Report noted that it was not necessary for a notice to be issued to the person concerned in order for the Uruguayan tax authorities to exercise its information gathering powers for EOI purposes, except in the situation of accessing bank information. Under the Uruguayan court process for accessing bank information, certain information must be provided to the Uruguayan court to which the relevant account-holder (often the taxpayer who is the subject of the request, or his/her proxy) will have access. There are no exceptions to this notification of the account-holder prior to exchange of information, for example for cases where the information requested is of a very urgent nature, or where prior notification is likely to undermine the chance of success of the investigation in the requesting jurisdiction.

78. Uruguay advised that, in its view, the abovementioned notification may be delayed by the tax authority in case of urgency, in order to safeguard evidence that could be destroyed or to find out information regarding a taxpayer that could leave the country, through application to the court for a preventative measure order (under s. 311 of the General Procedure Code). Whilst Uruguayan case law suggests that this preventative measure can be invoked by the tax authority in the context of preventing the disclosure of information to a person in the context of domestic tax proceedings, 1 it is not clear that the preventative measures under s. 311 of the General Procedure Code may be relied upon in the EOI context. In particular, it remains unclear that the provision can apply to prevent notification prior to information being exchanged, even if it can apply to prevent notification prior to the information being accessed (as noted in paragraph 150 of the 2011 Report).

79. Since the 2011 Report, Uruguay has brought into force Decree No. 313/011 which sets the procedure for exchange of information by Uruguay, under its DTCs and TIEAs. Amongst other things, this Decree provides for a prior notification requirement in the context of responding to EOI requests received by Uruguay. Section 10 of Decree No. 313/011 states that:

> *"No decision shall be made to submit information to a requesting competent authority without granting the prior notification to the person the information corresponds for five business days."*

1. Case no. i730/2011, Tribunal Apelaciones Civil 1ºTº, Montevideo, 16 November 2011

80. This appears to expand the requirement of prior notification to all cases of exchange of information by Uruguay, not only in cases involving bank information as noted in the 2011 Report. No exception to this requirement is set out in Decree No. 313/011. Under Section 10 of Decree No. 313/011, prior notification must be given to the person who is subject to investigation or examination in the requesting jurisdiction (*i.e.* the taxpayer). It is noted that, in all cases, it appears no decision regarding whether to respond to an incoming EOI request can be made by the Uruguayan tax authority until such notification has been given.

81. The compulsory notification requirement under Article 10 of Decree No. 313/011 combined with the lack of clear exceptions from this requirement has the potential to unduly prevent or delay effective exchange of information and also may undermine the chance of the success of the investigation conducted by the requesting jurisdiction. Accordingly, it is recommended that clarification on the application of suitable exceptions from this prior notification requirement be provided.

**Determination and factors underlying recommendations**

| **Determination** | |
|---|---|
| **The element is in place, but certain aspects of the legal implementation of the element need improvement.** | |
| **Factors underlying recommendations** | **Recommendations** |
| Under the court process for accessing bank information, certain information must be provided to the Uruguayan court to which the relevant account-holder (often the taxpayer) will have access. There are no exceptions to this notification of the account-holder prior to exchange of information, for example for cases where the information requested is of a very urgent nature, or where prior notification is likely to undermined the chance of success of the investigation in the requesting jurisdiction. | Uruguay should ensure that disclosure of information relating to an EOI request in the course of the court process to access bank information includes appropriate exceptions to notification prior to exchange of the information. |

| Determination | |
|---|---|
| **The element is in place, but certain aspects of the legal implementation of the element need improvement.** | |
| **Factors underlying recommendations** | **Recommendations** |
| Decree no. 313/011 requires the prior notification of the individual concerned prior to the tax authority's decision on responding to an incoming EOI request. It is not clear that there are appropriate exceptions from this prior notification procedure. | It is recommended that Uruguay clarifies that suitable exceptions from the prior notification requirement are permitted to facilitate effective exchange of information (*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

82. Jurisdictions generally cannot exchange information for tax purposes unless they have a legal basis or mechanism for doing so. In Uruguay, the legal authority to exchange information is derived from Double Tax Conventions (DTCs) and tax information exchange agreements (TIEAs), as well as from domestic law to a lesser extent.

83. The 2011 Report found that element C.1 was "in place, but needing improvement". This determination arose from the limitation in Uruguay's domestic law concerning information held by trustees, which could impede Uruguay's ability to give full effect to those agreements. This issue has been fully addressed by Law No. 18 930 as described in Section B.1 of this report and the respective recommendation was removed accordingly. Furthermore, the 2011 Report observed that Uruguay had not yet taken all steps necessary for its part to bring into force six out of 11 EOI agreements which has been signed over a year ago. Since the 2011 Report, Uruguay has ratified and brought into force two of these DTCs with Germany and Switzerland. Furthermore, Uruguay has completed all internal procedures necessary for the ratification of its DTCs with Ecuador, Liechtenstein and Portugal and its TIEA with Sweden. Uruguay has also concluded an additional nine EOI agreements, which generally follow the OECD Model Tax Convention or Model Tax Information Exchange Agreement (OECD Model TIEA) respectively, as further examined under this section. Accordingly, the determination for C.1 is upgraded to "the element is in place".

84. In the 2011 Report, element C.2 was found "not in place". Uruguay's network of EOI agreements was not considered satisfactory, in particular with respect to two of its major trading partners (Argentina and Brazil) which requested to enter into treaty negotiations with Uruguay at the beginning of 2011. Uruguay has made significant progress in expanding its network and concluded EOI agreements with nine jurisdictions, including a TIEA with one of its major trading partners (Argentina). In addition, Uruguay is in an advanced stage of negotiation of an EOI agreement with another major trading

partner (Brazil). Accordingly, the relevant recommendations under C.2 have been removed and the determinations upgraded to “the element is in place”.

85. The 2011 report concluded that the parameters of legal privilege under Uruguayan law could not be clearly determined at that stage and a recommendation was made under element C.4. Consequently, element C.4 was considered “in place, but certain aspects of the legal implementation of the element need improvement”. Uruguay has introduced new provisions which bring more certainty with respect to ownership information held by trustees and on ownership information concerning bearer shares and foreign companies. Uruguay has also provided court decisions and further explanation on the scope of the professional secrecy provision. As a result, the recommendation under element C.4 has been removed and the determination upgraded to “the element is in place”.

## C.1. Exchange of information mechanisms

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

86. Since the 2011 Report, Uruguay has signed an additional two DTCs with Korea and Finland, and seven TIEAs with Argentina, Denmark, Faroe Islands, Greenland, Iceland, Norway and Sweden. In addition, the DTCs signed in 2010 with Germany and Switzerland were brought into force, bringing Uruguay’s EOI network to 20 EOI agreements, of which six are in force. All internal procedures necessary for ratification have been completed by Uruguay in relation to another three DTCs and 11 are in the process of parliamentary approval (see Annex 3).

### ***Foreseeably relevant standard*** *(ToR C.1.1)*

87. The international standard for exchange of information envisages information exchange on request to the widest possible extent, but does not allow 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”. It does not allow “fishing expeditions”.

88. The new DTCs with Korea and Finland, as well as the seven additional TIEAs with Argentina, Denmark, Faroe Islands, Greenland, Iceland, Norway and Sweden provide for the exchange of information that is “foreseeably relevant” to the administration and enforcement of the domestic tax laws of the contracting parties. In addition, the TIEA with Argentina explicitly states under Article 2(4) that “fishing expeditions” are not allowed under this EOI agreement.

### ***In respect of all persons*** *(ToR C.1.2)*

89. 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 standard for exchange of information envisages that EOI mechanisms will provide for exchange of information in respect of all persons.

90. The DTCs with Korea and Finland, as well as the seven TIEAs with Argentina, Denmark, Faroe Islands, Greenland, Iceland, Norway and Sweden provide for EOI in respect of all persons.

### ***Exchange of information held by financial institutions, nominees, agents and ownership and identity information*** *(ToR C.1.3)*

91. 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. The international standard stipulates 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.

92. The DTCs with Finland and Korea contain a provision that mirrors Article 26(5) of the OECD Model Tax Convention spelling out the obligations of the contracting parties to exchange information held by financial institutions, nominees, agents and ownership and identity information. Likewise, a provision equivalent to Article 5(4) of the OECD Model TIEA establishing such obligation is found in each of Uruguay's seven new TIEAs.

93. The 2011 Report also concluded that all the EOI agreements signed by Uruguay were subject to the apparent restriction on access to information held by trustees in respect of certain trusts, which was considered inconsistent with the standard. As explained under Section B.1. of this report, article 19(c) of the Trusts Law imposed a confidentiality obligation upon trustees with regard to transactions, acts, contracts, documents and information relating to the trust. This obligation was not clearly overridden by article 68E of the Tax Code where no Uruguayan income was derived through the trust. Nevertheless, Uruguay has adequately addressed the issue through introduction of an express override to trustee confidentiality under Section 19 of Law No. 18 930, and the respective recommendation under element C.1 was removed accordingly.

### *Absence of domestic tax interest (ToR C.1.4)*

94. 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.

95. The DTCs with Finland and Korea contain a provision equivalent to Article 26(4) of the OECD Model Tax Convention, which obliges the Contracting Parties to use their information gathering measures to obtain and provide information to the requesting jurisdiction even in cases where the requested Party does not have a domestic interest in the requested information. Similarly, a provision corresponding to Article 5(2) of the OECD Model TIEA establishing such obligation is included in each of the seven new TIEAs signed by Uruguay.

### *Absence of dual criminality principles (ToR C.1.5)*

96. 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.

97. None of the nine EOI agreements signed by Uruguay are restricted by the dual criminality principle. Uruguay's policy in this regard is to exchange information under its EOI agreements irrespective of whether the conduct being investigated would constitute a crime in Uruguay.

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

98. 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").

99. The DTCs with Korea and Finland, as well as the seven TIEAs with Argentina, Denmark, Faroe Islands, Greenland, Iceland, Norway and Sweden provide for exchange of information in both civil and criminal tax matters.

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

100. There are no restrictions in Uruguay's domestic laws that would prevent it from providing information in a specific form, so long as this is consistent with its own administrative practices. All of the seven new TIEAs concluded by Uruguay expressly allow for information to be provided in the specific form requested, to the extent allowable under the requested jurisdiction's domestic laws.

### ***In force*** *(ToR C.1.8)*

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

102. The 2011 Report concluded that Uruguay had not yet taken all steps necessary for its part to bring its EOI agreements into force with respect to seven of its 11 treaty partners. Since the 2011 Report, Uruguay has ratified and brought into force two DTCs with Germany and Switzerland, signed in 2010. Internal procedures for ratification have been completed in Uruguay in relation to a further three DTCs, with Ecuador (signed 2011), Liechtenstein (signed 2010) and Portugal (signed 2009), and are awaiting the completion of such procedures in the respective partner treaty jurisdiction. Two DTCs signed respectively in March and September 2011, with Malta and India, are still pending ratification in Uruguay.

103. In addition, Uruguay has also concluded, within the last year since the 2011 Report was adopted, an additional nine EOI agreements which are currently in various stages of the ratification process. Of these Uruguay has taken all steps necessary, for its part, to bring into force its DTCs with Ecuador, Liechtenstein and Portugal and its TIEA with Sweden. Uruguay should quickly take all steps necessary for its part, to bring all signed EOI agreements into force. Annex 3 sets out the dates of signature, and entry into force where relevant, of each of Uruguay's EOI agreements.

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

104. The 2011 Report found that Uruguay was unable to give full effect to its EOI agreements due to limitations in Uruguay's domestic law regarding access to information held by trustees (*ToR* C.1.3, C.1.4 and C.1.9). This limitation has now been removed by the article 19 of Law No. 18 930, which lifted the confidentiality obligation imposed on trustees by article 19 (c) of the Trusts Law, as described in Section B.1 of this report. Accordingly, the respective recommendations under elements B.1 and C.1 have been deleted.

**Determination and factors underlying recommendations**

| Determination | |
|---|---|
| **The element is in place~~, but certain aspects of the legal implementation of the element need improvement~~.** | |
| **Factors underlying recommendations** | **Recommendations** |
| ~~Confidentiality duties in Uruguay's domestic law limits access to information held by trustees in some instances. This inhibits Uruguay's ability to give full effect to its EOI agreements, notwithstanding the inclusion in 9 of its signed EOI agreements of a provision requiring it not to decline to supply such information.~~ | ~~Uruguay should take all necessary steps to ensure that it can give full effect to the terms of its EOI agreements with regard to accessing information held by trustees in all instances.~~ |
| Uruguay has signed ~~six~~ four DTCs (~~one signed in 2009, three signed in 2010 and two~~all signed in 2011) and six TIEAs (five signed in 2011 and one signed in 2012) which it has not yet taken all steps necessary, for its part, to bring into force. | Uruguay should take all steps necessary for its part, to bring each of its signed EOI agreements into force as quickly as possible. |

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

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

105. Ultimately, the international standard requires that jurisdictions exchange information with all relevant partners, meaning those partners who are interested in entering 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 standard.

106. The 2011 Report found that Uruguay's network of EOI arrangements was not adequate as it did not cover all relevant partners. In particular, it was noted that two of its major trading partners (Argentina and Brazil) had requested to enter into treaty negotiations with Uruguay at the beginning of 2011 without success, indicating a lack of commitment from Uruguay to implement the standard.

107. Comments were sought from the jurisdictions participating in the Global Forum in the course of the preparation of this report, and one jurisdiction advised that Uruguay had not responded to a request to negotiate or conclude an EOI agreement with it. Uruguayan authorities have indicated that this incident was probably due to problems in the communication and has replied to this Global Forum member, expressing its willingness to negotiate an EOI agreement, regardless of the form. The other jurisdiction confirmed that progress is now underway towards negotiations of an EOI agreement.

108. Since the 2011 Report, Uruguay has further expanded its EOI network by signing two DTCs with Korea in November 2011 and Finland in December 2011 (in addition to two DTCs signed with India and Malta in 2011), and seven TIEAs with Denmark, Faroe Islands, Greenland, Iceland, Norway and Sweden in December 2011, as well as with Argentina (a major trading partner) in April 2012. This development is reflected in Annex 3 of this report.

109. In addition, the Uruguayan authorities indicated that they have concluded negotiations of the text of an EOI agreement with Brazil which is expected to be signed shortly, and Brazil was identified in the 2011 Report as one of Uruguay's major trading partner. Uruguay is also in the process of negotiating an additional five EOI agreements with Global Forum members and responded to a request to negotiation of an EOI agreement with another of its major trading partners, also a Global Forum member. In view of the significant progress made by Uruguay in expanding its network of EOI agreements, ensuring that priority was given to its major trading partners, the determination under element C.2 was upgraded to "the element is in place" and the recommendation was replaced by the standard wording regarding the continued efforts to conclude and bring EOI agreements into effect as quickly as possible.

**Determination and factors underlying recommendations**

| **Determination** | |
|---|---|
| **The element is ~~not~~ in place.** | |
| **Factors underlying recommendations** | **Recommendations** |
| ~~To date Uruguay has no EOI agreements with its major trading partners. Further, whilst Uruguay has signed agreements to the standard with its 10 EOI partners, it has not yet taken all necessary steps to bring six of its signed agreements into force.~~ | Uruguay should continue to develop and rapidly expand its network of EOI arrangements with all relevant partners, ~~and ensure that priority is given to concluding and bringing into force agreements with its major trading partners, in particular Argentina and Brazil~~ and take all steps necessary to bring concluded agreements into effect as quickly as possible. |

## 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)*

110. The 2011 Report found that Uruguay's domestic law provisions and confidentiality provisions under its EOI agreements were consistent with the standard.

111. The new DTCs with Korea and Finland, as well as the seven additional TIEAs with Argentina, Denmark, Faroe Islands, Greenland, Iceland, Norway and Sweden contain confidentiality provisions with all the essential elements of Article 26(2) of the OECD Model Convention and Article 8 of the OECD Model TIEA.

**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.

112. The 2011 Report noted that the rights and safeguards of taxpayers and third parties in Uruguay were not fully compatible with effective exchange of information. The parameters of legal privilege under Uruguayan law could not be clearly determined at that stage and a recommendation was made under element C.4. Therefore, element C.4 was considered "in place, but needing improvement".

113. Article 302 of the Criminal Code states that: "Persons who, without fair cause, reveal secrets that would come to their knowledge, by virtue of their profession, employment or representation, shall be punished by a fine of one hundred to six hundred units indexed, if the act causes harm" (emphasis added). In the Annex 1 to the 2011 Report, Uruguay has clarified that "[t]he violation of professional secrecy is a crime stated in article 302 Criminal Code, this article allows the professional to plead "fair cause" and to give the information required. Besides, he can also plead the "complying with the law" grounds set out in article 28, Criminal Code as an exemption: in this case, the obligation to comply with article 68 and 70 of the Tax Code.

This last article states the obligation to comply with the [Tax Administration Authority]."

114. Since the 2011 Report, Law No. 18 930 expressly lifted the secrecy obligation imposed on trustees by Article 19(c) of the Trusts Law when information is sought by the tax authority or the Central Bank of Uruguay (article 19). In addition, Law No. 18 930 expressly lifted professional secrecy provisions established by the Stock Market Act and the Investment Funds Act when ownership information regarding bearer shares and foreign companies is sought by the tax authority (article 21). Therefore, Law No. 18 930 narrowed down the uncertainty concerning the scope of professional secrecy under Uruguayan law.

115. Uruguay has also provided some decisions from judicial and administrative concerning the interpretation of professional secrecy provisions with respect to information held by legal professionals. The decisions demonstrate that professional secrecy cannot be claimed by an attorney as a valid defence against the disclosure of information to authorities in order to conceal either a criminal or unlawful act of the attorney himself/herself or by another person[2]. Uruguay has also clarified that, other than the material already provided, Uruguayan authorities could not find court decisions dealing with the interaction of Article 302 of the Criminal Code (reproduced above) and the tax authorities access powers established under the Tax Code.

116. Given the legislative changes introduced by Law No. 18 930 and further court decisions provided by Uruguay since the 2011 Report, a potential gap concerning the scope of the professional secrecy exception established by Article 302 of the Criminal Code is likely to be narrow. In view of these new circumstances, the recommendation under element C.4 was removed and the determination was upgraded to "element is in place". Nevertheless, the practical impact of the professional secrecy provisions on effective information exchange will be closely examined under the Phase 2 peer review of Uruguay.

117. The new DTCs with Korea and Finland, as well as the seven additional TIEAs with Argentina, Denmark, Faroe Islands, Greenland, Iceland, Norway and Sweden contain provisions on rights and safeguards which mirror respectively Article 26(3) of the OECD Model Convention and Article 7 of the OECD Model TIEA.

2Judgment no. 385/2011, Tribunal Apelaciones Penal 2º Tº; Judgment of Curbelo Tamaro (I.U.106-127/2009)

**Determination and factors underlying recommendations**

| Determination | |
|---|---|
| **The element is in place~~, but certain aspects of the legal implementation of the element need improvement~~.** | |
| **~~Factors underlying recommendations~~** | **~~Recommendations~~** |
| ~~The scope of professional secrecy as it applies to legal professionals in Uruguay is unclear.~~ | ~~Uruguay should clarify the scope of legal privilege under its law and ensure that it is compatible with the international standard.~~ |

## 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),* ***Organisational process and resources*** *(ToR C.5.2)* ***Absence of restrictive conditions on exchange of information*** *(ToR C.5.3)*

118. The 2011 Report did not identify any serious issues relating to Uruguay's ability to respond to EOI requests within 90 days, organisational process and resources, or any restrictive conditions on the exchange of information. There have been no new developments in Uruguay since the 2011 Report. A review of the practical ability of Uruguay's tax authorities to respond to requests in a timely manner will be conducted in the course of its Phase 2 review.

**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 in place, but certain aspects of the legal implementation of the element need improvement.** | Although legal requirements have been introduced for the reporting of ownership information in relation to bearer these reporting mechanisms do not sufficiently ensure that the owners of such shares can be identified within the stipulated timeframes of the reporting regime. | Uruguay should take further steps to effectively ensure that the mechanisms effectively ensure the identification of the owners of bearer shares in all cases. |
| | There are effective enforcement provisions in support of the relevant ownership and identity information requirements for corporations, bearer shareholdings and relevant foreign companies and also for other types of companies and partnerships in the context of the sale and assignment of ownership in such entities. However the enforcement measures available to ensure the availability of ownership and identity information outside of the context of such transfers, with respect to companies (other than corporations) and partnerships that do not issue bearer form equity, are not clear. | Uruguay should take steps to clarify that effective enforcement provisions exist to support the requirements to keep relevant ownership and identity information for all types of companies and partnerships in all cases. |

| Determination | Factors underlying recommendations | Recommendations |
|---|---|---|
| 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, but certain aspects of the legal implementation of the element need improvement.** | Uruguay's ability to access bank information prior to 2 January 2011 is limited under its domestic legislation. | Uruguay should ensure that all relevant bank information may be accessed for EOI purposes, regardless of the period to which the information relates, to ensure they can give full effect to their EOI agreements. |
| 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.** | Under the court process for accessing bank information, certain information must be provided to the Uruguayan court to which the relevant account-holder (often the taxpayer) will have access. There are no exceptions to this notification of the account-holder prior to exchange of information, for example for cases where the information requested is of a very urgent nature, or where prior notification is likely to undermined the chance of success of the investigation in the requesting jurisdiction. | Uruguay should ensure that disclosure of information relating to an EOI request in the course of the court process to access bank information includes appropriate exceptions to notification prior to exchange of the information. |

| Determination | Factors underlying recommendations | Recommendations |
|---|---|---|
| **The element is in place, but certain aspects of the legal implementation of the element need improvement.** *(continued)* | Decree no. 313/011 requires the prior notification of the individual concerned prior to the tax authority's decision on responding to an incoming EOI request. It is not clear that there are appropriate exceptions from this prior notification procedure. | It is recommended that Uruguay clarifies that suitable exceptions from prior notification requirement are permitted to facilitate effective exchange of information (*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.** | Uruguay has signed four DTCs (all signed in 2011) and six TIEAs (five signed in 2011 and one signed in 2012) which it has not yet taken all steps necessary, for its part, to bring into force. | Uruguay should take all steps necessary for its part, to bring each of its signed EOI agreements into force as quickly as possible. |
| The jurisdictions' network of information exchange mechanisms should cover all relevant partners (ToR C.2.) | | |
| **The element is in place.** | | Uruguay should continue to develop and rapidly expand its network of EOI arrangements with all relevant partners, and take all steps necessary to bring concluded agreements into effect as quickly as possible. |
| 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.** | | |

| Determination | Factors underlying recommendations | Recommendations |
|---|---|---|
| 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[3]

Uruguay strongly believes that it has implemented important legal changes that are likely to result in an upgrade in a determination of essential elements to "in place" and justify a revision of the determinations.

That's because Uruguay has adopted several measures to address the 2011 Report recommendations and in order to give its Tax Authority the necessary tools for obtaining information for its own purposes and for international cooperation in the framework of the conventions ratified by the Republic. In all this process we feel sorry that some mechanism of availability, access and exchange of information could not be reflected in the Report, such as:

- The effectiveness of stringent penalties imposed for non-compliant bearer shareholders.
- The complete control over initial formation and ownership information of companies and partnerships.

Uruguay remains committed to the Global Forum recommendations set out in the supplementary report.

We acknowledge the hard work of the Assessment Team and the Global Forum Secretariat and we are satisfied with the Assessment Team advice to the PRG in the sense that Uruguay can move to Phase 2.

3. 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 Uruguay

**REPÚBLICA ORIENTAL**
**DEL URUGUAY**

**MINISTERIO**
**DE**
**ECONOMÍA Y FINANZAS**

Montevideo, July 4, 2012

Mr Francois d'Aubert
Chair of Peer Review Group (PRG)
Global Forum on Transparency and Exchange of Information for Tax Purposes

Re: Request for Supplementary Report

Mr. Chair:

According to the Revised Methodology for Peer Review and Non-Members Reviews, paragraph 58, Uruguay is filing a request for supplementary report due to the efforts it has made in order to enhance its legal framework, complying to the Determinations and Factors Underlying Recommendations of the Phase 1 Peer Review, adopted on October, 2011.

We strongly believe that we have implemented important legal changes that are likely to result in an upgrade in a determination of essential elements to "in place" and justify a revision of the determinations and ask for supplementary report to be prepared.

Uruguay is requesting a supplementary report because its government is convinced that most of the observations made in the Peer Review are sufficiently solved now.

The legal changes cover: passing Law by the Parliament in July 4, 2012 and signing EOI agreement with Argentina. In the case of Brazil we reached a technical agreement, nowadays Brazil request us some weeks to legal revision before the signing.

To such effects, we attached a detail of the rules included in the Law and the recommendations made by the Global Forum, also we detail the progress achieved by Uruguay within its net of agreement of EOI with relevant partners.

Regarding at Law, it organize a new bearer securities register, stating the owners and stakeholders' duty to file before the Central Bank of Uruguay (CBU) the data allowing their identification and shares, securities or any other bearer equity interest face value. This duty applies to national and foreign entities with sufficient nexus with Uruguay, which issue bearer shares, and to trustees and investment fund managers.

Whilst a register is created in the CBU, another government agency, the National Internal Audit, has the supervising and sanctioning faculties.

All the information collected will remain secret, except for: Tax Authority, Financial Analysis and Information Unit, Criminal Justice and Ethics and Public Transparency Board.

All changes in interest equity should be reported.

Non compliance will be sanctioned with serious penalties the owner, the shareholders or the issuing entity.

Law also allows a fast track to amend articles of incorporation and change bearer shares to nominative ones.

The Government shall establish the terms, form and conditions in which the entities and natural persons before referred shall comply with their corresponding obligations.

Finally, the Law solves several observations made in the Peer Review as: trustees confidentiality duties which cannot be opposed to Tax Authority; brokers' and investments fund managers' professional privilege cannot be opposed to Tax Authority; sale of companies shares or stakes in associations and agricultural partnerships shall be registered first with the Tax Authority; trusts and investment funds not supervised by CBU, either national or foreign, must keep underlined documentation for a period of a ten years; companies, associations and agricultural partnerships, and trusts and investment funds not

supervised by CBU, shall register their financial statements with the National Internal Audit, subject to the penalties stated in article 97 Bis of Law 16.060, as of September 4, 1989.

In the next days the Government will enact the Law which shall enter into force at August 1st.

Yours sincerely,

Ec. Fernando Lorenzo
Minister of Economy and Finance

## Appendix 1: Uruguay's Supplementary Report on the Recomendations of Phase One of its Peer Review Report

| Determination | Factors underlying recommendations | Recommendations | Comments |
|---|---|---|---|
| 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.** | Foreign incorporated companies carrying on business in Uruguay are not subject to an express requirement to keep ownership information. Availability of such information will generally depend on the law of the jurisdiction in which the company is formed, and therefore may not be available in all relevant cases. | Uruguay should ensure that ownership and identity information is required to be maintained in respect of all foreign companies with a sufficient nexus with Uruguay. | **Please see attached Law approved by the Parliament in July 4, 2012 (Appendix 2): articles 1 (Reporting Duties), 2 (Non-residing entities - Reporting duties), 3 (Central Bank of Uruguay Duties), 4 (National Internal Audit - Duties), 5 (Obligation to Secrecy), 6 (Procedure), 7 (Changes in Equity Interest), 8 (Penalty system applied to owner and stakeholder), 9 (Penalty system applied to entities and their representatives), 10 (Buyers of equity interests held jointly and severally liable), 11 (Fines Collector), 12 (Discontinuing the consolidated certificate), 13 (Reporting on non-compliance), 14 (Exception), 15 (Exclusion of entities listing in a public stock market), 16 (Terms), 17 (Changing bearer shares to nominative shares), 18 (Exclusion from registry).** |

| Determination | Factors underlying recommendations | Recommendations | Comments |
|---|---|---|---|
| **The element is not in place.** *(continued)* | There is no requirement for nominees to have, or make available, information about the person on whose behalf shares are registered. | Where shares or securities are registered in the name of a person, Uruguay should ensure that person is required to keep a record of the person on whose behalf the shares are registered. | **In this point the Uruguayan government insist in order to clarify its position about "nominees" expressed in the jurisdiction's response to the review report (Annex 1 Part A.1 II pages 74 – 75 Uruguay FGR)**<br>**The Uruguayan government also expresses its eagerly desire to receive the same treatment given to Chile (par. 62 PRR), Brazil (par. 73 PRR[4]), Costa Rica (par. 58 PRR), Spain (par. 69 FGR[5]), France (par. 64 FGR), Belgium (par. 74 FGR), Monaco (par. 75 FGR); in all these cases were considered that the concept of nominee that exists in some jurisdictions, in particular common law jurisdictions, does not exist in continental law jurisdiction's.**<br>**Therefore, and for avoidance of any doubt the Law approved by the Parliament in July 4, 2012 in its art. 1 refers to "*holder or custodian, an agent or anyone with representation powers, with powers of administration and disposal of equity interest with the same powers as the owners and stakeholders*" as persons bound to identify themselves.** |
| | Bearer shares may be issued by corporations and joint-stock companies and there are no mechanisms to ensure that the owners of such shares can be identified. | Uruguay should take necessary measures to ensure that appropriate mechanisms are in place to identify the owners of bearer shares. | **Please, see previous comment.** |

4. "PRR": Peer Review Report
5. "FGR": Forum Review Report

| Determination | Factors underlying recommendations | Recommendations | Comments |
|---|---|---|---|
| **The element is not in place.** *(continued)* | While there are effective enforcement provisions in support of the relevant ownership and identity information requirements for corporations, the enforcement measures available with respect to other types of companies and partnerships are not clear. | Uruguay should establish effective enforcement provisions to support the requirements to keep relevant ownership and identity information for all types of companies and partnerships. | **In this point the Uruguayan government insist in order to clarify its position about the enforcement provisions existing in Uruguayan law, to keep relevant ownership and identity information for all types of companies and partnerships expressed in the jurisdiction's response to the review report (Annex 1 Part A 1 IV page 76 Uruguay FGR).**<br>**However, Law approved by the Parliament in July 4, 2012 in its article 22 provides that, "*The sale of companies shares or stakes in associations and agricultural partnerships shall be registered with the Tax Authority Consolidated Register of Taxpayers before registration with the Public Register of the General Registries Office. Are not covered by this provision the corporate rights represented by shares.*"**<br>**The Uruguayan government also expresses it eagerly desire to receive the same treatment given to Mexico (par. 102 – 104 and 108 PRR), Chile (par. 91 - 95 PRR). There are a variety of penalties under Uruguayan law to ensure that information required to be maintained is in fact, effectively complied.** |

| Determination | Factors underlying recommendations | Recommendations | Comments |
|---|---|---|---|
| Jurisdictions should ensure that reliable accounting records are kept for all relevant entities and arrangements. *(ToR A.2)* | | | |
| **The element is in place, but certain aspects of the legal implementation of the element need improvement.** | The requirement to maintain underlying documentation is not clearly established for relevant companies and partnerships to the extent they are not liable to tax under Uruguayan law. | Uruguay should include a specific requirement for all relevant companies and partnerships, regardless of their liability to tax in Uruguay, to maintain underlying documentation for at least 5 years. | **In this point the Uruguayan government insist in order to clarify its position regarding that there is an specific provision in Uruguayan Tax Code related to the obligation to keep underlined documentation for a minimum period of 5 years, regardless the source or nature of the income (taxable or not).**<br>**We insist also that in the specific case of Free Trade Zone operators must keep accounting records and underlined documentation according to Uruguayan Companies Law and, an administrative resolution of our Tax Authority (already incorporated to Uruguay report) imposing them the obligation to file an annual return of their balance sheet, with an independent audit report.**<br>**The same argument was used by Hong Kong, China (par. 165 and 180 -181 FGR), so the Uruguay government also expresses its eagerly desire to receive the same treatment.**<br>**However, the Law approved by the Parliament in July 4, 2012 in its article 24 provides that "*Companies, associations and agricultural partnerships, and the trusts and investment funds not subject to Central Bank of Uruguay supervision, obtaining income not included in any taxable event of Personal tax ("IRPF") and Company tax ("IRAE") for an amount higher than UI 4.000.000 (four million Indexed Units), shall register their financial statements with the National Internal Audit in the same conditions and subject to the same penalty system stated in article 97 Bis of Act 16.060, as of September 4, 1989, as drafted in article 500 of Act 18.362, as of October 6, 2008.*"** |

| Determination | Factors underlying recommendations | Recommendations | Comments |
|---|---|---|---|
| **The element is in place, but certain aspects of the legal implementation of the element need improvement.** *(continued)* | There is no express obligation under the Trust Law to keep reliable accounting records, including underlying documents, for any minimum period of time. Where a trust is not subject to tax in Uruguay or is not a "taxpayer" (*i.e.* a guarantee trust), there are no applicable obligations to keep reliable accounting records, including underlying documents, for any minimum period of time. | Uruguay should include a specific requirement for all trusts, regardless of their liability to tax in Uruguay, to maintain reliable accounting records, including underlying documentation for at least 5 years. | **We generally refer to previous comment.**<br><br>**Nevertheless, the Law approved by the Parliament in July 4, 2012 in its article 23 provides that trusts and investment funds shall retain underlying documentation for a period of ten years. Foreign trusts and investment funds, whose trustees or managers reside in Uruguay, shall comply with the same obligation.** |
| Banking information should be available for all account-holders. *(ToR A.3)* | | | |
| **The element is in place.** | | | |

| Determination | Factors underlying recommendations | Recommendations | Comments |
|---|---|---|---|
| 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, but certain aspects of the legal implementation of the element need improvement.** | Information held by a trustee which relates to a trust is protected by a confidentiality provision. Where the trust is not subject to tax in Uruguay but the trustee is located in Uruguay, there is no clear mechanism by which the confidentiality duty can be lifted to access the information for EOI purposes. | Uruguay should take steps to ensure that it can access trust information held by a trustee, regardless whether the trust is subject to tax in Uruguay. | **The Law in its article 19 states that, "The trustee confidentiality duty established under paragraph c), article 19 of Act 17.703, as of October 27, 2003, shall not be effective against the Tax Authority and the Central Bank of Uruguay".** |
| | Uruguay's ability to access bank information prior to 2 January 2011 is limited under its domestic legislation. | Uruguay should ensure that all relevant bank information may be accessed for EOI purposes, regardless of the period to which the information relates, to ensure they can give full effect to their EOI agreements. | **Uruguay is analyzing this particular recommendation.** |

| Determination | Factors underlying recommendations | Recommendations | Comments |
|---|---|---|---|
| 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.** | Under the court process for accessing bank information, certain information must be provided to the Uruguayan court to which the relevant account-holder (often the taxpayer) will have access. There are no exceptions to this notification of the account-holder prior to exchange of information, for example for cases where the information requested is of a very urgent nature, or where prior notification is likely to undermined the chance of success of the investigation in the requesting jurisdiction. | Uruguay should ensure that disclosure of information relating to an EOI request in the course of the court process to access bank information includes appropriate exceptions to notification prior to exchange of the information. | **Uruguay is analyzing this particular recommendation.** |

| Determination | Factors underlying recommendations | Recommendations | Comments |
|---|---|---|---|
| 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.** | Confidentiality duties in Uruguay's domestic law limits access to information held by trustees in some instances. This inhibits Uruguay's ability to give full effect to its EOI agreements, notwithstanding the inclusion in 9 of its signed EOI agreements of a provision requiring it not to decline to supply such information. | Uruguay should take all necessary steps to ensure that it can give full effect to the terms of its EOI agreements with regard to accessing information held by trustees in all instances. | **Further explanation can be found in section "Observation, TOR B.1", regarding article 19 by the Law.** |
| | Uruguay has signed six DTCs (one signed in 2009, three signed in 2010 and two signed in 2011) which it has not yet taken all steps necessary, for its part, to bring into force. | Uruguay should take all steps necessary for its part, to bring each of its signed EOI agreements into force as quickly as possible. | **Uruguay has signed 19 agreements providing for the exchange of information all of them follows the international standards of transparency and exchange of information for tax purpose.**<br><br>**Further explanation can be found in section "Action Taken. ToR C.2"** |

| Determination | Factors underlying recommendations | Recommendations | Comments |
|---|---|---|---|
| The jurisdictions' network of information exchange mechanisms should cover all relevant partners. *(ToR C.2)* | | | |
| **The element is not in place.** | To date Uruguay has no EOI agreements with its major trading partners. Further, whilst Uruguay has signed agreements to the standard with its 10 EOI partners, it has not yet taken all necessary steps to bring six of its signed agreements into force. | Uruguay should rapidly expand its network of EOI arrangements, and ensure that priority is given to concluding and bringing into force agreements with its major trading partners, in particular Argentina and Brazil. | **Uruguay has continued to expand its program of EOI arrangements network, having signed 19 treaties - EOI agreements concluded by Uruguay to date generally follow the OECD Model Tax Convention or Model Tax Information Exchange Agreement (Model TIEA) respectively, including several of its most important partners.**<br>**Six of them are into force -Germany (update) (DTC); Hungary (DTC); Mexico (DTC); Spain (DTC); French (TIEA); Switzerland (DTC) - and 12 are in the process of parliamentary approval.**<br>**Nowadays DTC´s agreements with Portugal and Liechtenstein had been approved by the Senate; Malta (approved in Senate committee) and DTC with Ecuador had been approved by the House of Representatives, whilst the one with Finland (DTC); India (DTC); Republic of Korea (DTC); Denmark (TIEA); Faroe Islands (TIEA); Greenland (TIEA); Iceland (TIEA); Norway (TIEA) and Sweden (TIEA) had been sent to the Parliament for consideration.**<br>**DTCs with Belgium; Rumania and TIEA with Canada and Australia are already negotiated and ready to be signed, when diplomatic opportunity permits.**<br>**Agreements with Malaysia (DTC); Luxembourg (DTC); Netherlands (TIEA), United Kingdom (TIEA) and Italy (TIEA) are in the process of negotiation. Also USA and Uruguay have taken the firsts steps to enter a negotiation of TIEA, responding the questions related to polices, laws and practices concerning the exchange of tax information under tax treaties and tax information exchange agreements (TIEA).**<br>**On April 23, Uruguay has signed an agreement with Argentina including clauses of exchange of tax information according to OECD standard and clauses to eliminate double taxation.**<br>**In the case of Brazil we reached a technical agreement, but Brazil has requested some weeks to legal revision before the signing.** |

| Determination | Factors underlying recommendations | Recommendations | Comments |
|---|---|---|---|
| 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, but certain aspects of the legal implementation of the element need improvement.** | The scope of professional secrecy as it applies to legal professionals in Uruguay is unclear. | Uruguay should clarify the scope of legal privilege under its law and ensure that it is compatible with the international standard. | **According to the PRR, this subject will be considered in the course of Phase 2 Review, as have happened to some countries like Spain.**<br>**However, the Law approved by the Parliament in July 4, 2012 in its article 21 provides that, "*In order to obtain the information required in articles 1 and 2 hereunder, for nominative or book-entry securities and documents, the provisions regarding professional secrecy stated in article 56 of Act 18.627, as of December 2, 2009 (Stock Market Act) and article 28 of Act 16.774, as of September 27, 1996 (Investment Funds Act) shall not be opposed to the Tax Authority*".**<br>**Please, see further explanations in "ToR B 1".** |

# Annex 3: List of All Exchange-of-Information Mechanisms

## Bilateral agreements

The table below contains the list of information exchange agreements (TIEA) and tax treaties (DTC) signed by Uruguay as of August 2012.

| Jurisdiction | Type of EoI arrangement | Date signed | Date entered into force |
|---|---|---|---|
| Argentina | TIEA | 23 Apr 2012 | |
| Denmark | TIEA | 14 Dec 2011 | |
| Ecuador | DTC | 26 May 2011 | |
| Faroe Islands | TIEA | 14 Dec 2011 | |
| Finland | DTC | 13 Dec 2011 | |
| France | TIEA | 28 Jan 2010 | 31 Dec 2010 |
| Germany | DTC | 5 May 1987 | 1 Jan 1991 |
| | | 9 Mar 2010 | 1 Jan 2012 |
| Greenland | TIEA | 14 Dec 2011 | |
| Hungary | DTC | 25 Oct 1988 | 13 Aug 1993 |
| Iceland | TIEA | 14 Dec 2011 | |
| India | DTC | 8 Sep 2011 | |
| Korea, Republic of | DTC | 29 Nov 2011 | |
| Liechtenstein* | DTC | 18 Oct 2010 | 3 Sep 2012 |
| Malta | DTC | 11 Mar 2011 | |
| Mexico | DTC | 14 Aug 2009 | 1 Jan 2011 |
| Norway | TIEA | 14 Dec 2011 | |

* 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 entered into force |
|---|---|---|---|
| Portugal* | DTC | 30 Nov 2009 | 13 Sep 2012 |
| Spain | DTC | 9 Oct 2009 | 24 Apr 2011 |
| Sweden | TIEA | 14 Dec 2011 | |
| Switzerland | DTC | 18 Oct 2010 | 28 Dec 2011 |

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

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

Decree No. 247/012 of 02.08.2012

Decree No. 313/011 amended by Decree No. 253/012 of 08.08.2012

Decree No. 597/988 amended by Decree No. 242/012 of 01.08.2012

Law No. 16 060 of 01.11.1989 (Business Partnerships Law)

Law No. 17 703 of 04.11.2003 (Trusts Law)

Law No. 18 930 of 17.07.2012

Amended Text 1996, Title 1

Criminal Code Article 302 (Professional Secrecy)

Tax Code

Public Notaries Regulations