
NAVIGATING ECONOMIC SUBSTANCE

APRIL 29, 2019



AGENDA

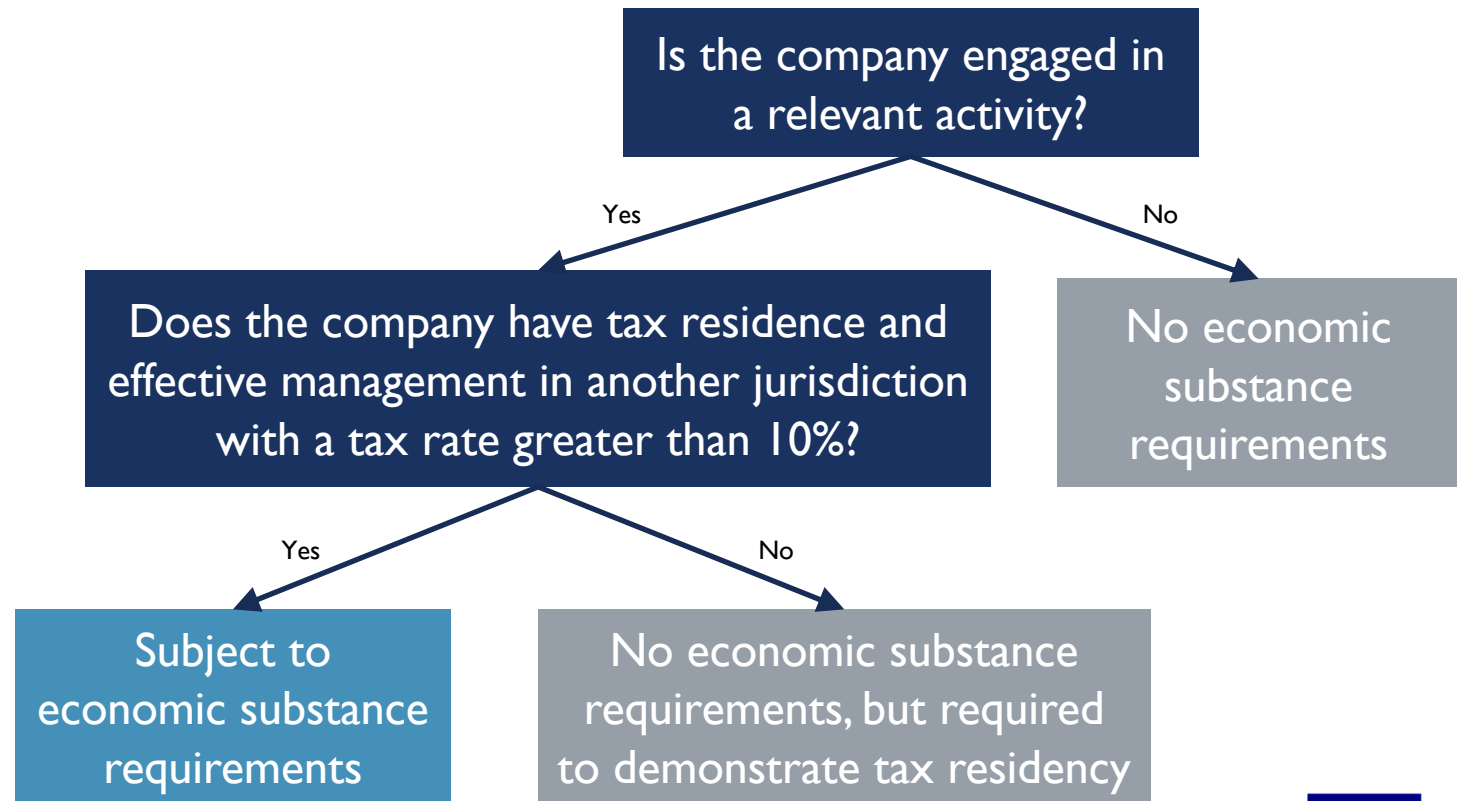
- Economic Substance in Anguilla
- Which companies are affected?
- What is a relevant activity?
- What are the economic substance requirements?
- How can Geneva Trust help?

ECONOMIC SUBSTANCE IN ANGUILLA

- Anguilla introduced economic substance requirements in response to concerns expressed by the Council of the European Union about inadequate legal substance requirements on entities doing business in or through the jurisdiction.
- Companies and registered partnerships registered in Anguilla that are engaged in a “relevant activity” are required to meet economic substance requirements.
- Affected companies will be required to submit an annual return demonstrating compliance with the economic substance requirements. The Government of Anguilla will be required to share information on non-compliant companies with the EU member states subject to the Tax Information Exchange (International Cooperation) Act.
- The economic substance requirements are effective from January 2019, with 6-month transition period for entities already in existence.

WHICH COMPANIES ARE AFFECTED?

The following chart can be used to determine if your company is subject to the economic substance requirements in Anguilla:



WHAT IS A RELEVANT ACTIVITY?

An Anguillan company or limited partnership is required to meet the economic substance requirements insofar as it is engaged in any of the following "relevant activities":

Banking

Insurance

Fund
Management

Financing

Leasing

Shipping

Intellectual
Property

Distribution
and Service
Centre

Holding
Entity

Headquarters

ECONOMIC SUBSTANCE REQUIREMENTS FOR ENTITIES CARRYING ON RELEVANT ACTIVITIES

Companies and limited partnerships will be required to submit an annual return demonstrating that it is compliant with the economic substance requirements:

Economic Substance Requirements

An adequate number of suitably qualified employees in relation to that activity physically present in the Anguilla

Adequate expenditure is incurred in Anguilla

Adequate physical assets (whether leased, rented, or owned) in Anguilla

The company engages in core income generating activities in Anguilla

Mind and management for the company takes place in Anguilla

HOW CAN GENEVA TRUST HELP?

Geneva Trust can provide assistance to ensure that your Anguilla or Bermuda entity complies with the economic substance requirements by:

- Assessing how the Economic Substance Act will impact your structure or company
- Determining the adequate level of economic substance needed to demonstrate a physical presence in the jurisdiction
- Outsourcing core activities and providing adequate premises in Anguilla or Bermuda.

Economic Substance Requirements	How to Achieve
An adequate number of suitably qualified employees in relation to that activity physically present in the Anguilla	Outsourcing services provided by Geneva Trust
Adequate expenditure is incurred in Anguilla	Outsourcing services provided by Geneva Trust for keeping record of account, books and papers and financial statements
Adequate physical assets (whether leased, rented, or owned) in Anguilla	Geneva Trust can provide: ✓ Shared office space ✓ Signage ✓ Domain name (.ai) ✓ Phone line
The company engages in core income generating activities in Anguilla	Geneva Trust will provide guidance
Mind and management for the company takes place in Anguilla	Geneva Trust will propose a local director to be appointed