

Global Forum on Transparency and Exchange of Information for Tax Purposes Peer Reviews: Curaçao 2015

Phase 2: Implementation of the Standard in Practice

This report contains the 2014 “Phase 2: Implementation of the Standards in Practice” Global Forum review of Curaçao.

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 120 jurisdictions which participate in the work of the Global Forum on an equal footing.

The Global Forum is charged with in-depth monitoring and peer review of the implementation of the 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, which has been incorporated in the UN Model Tax Convention.

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

All members of the Global Forum, as well as jurisdictions identified by the Global Forum as relevant to its work, are being reviewed. This process is undertaken in two phases. Phase 1 reviews assess the quality of 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 plus Phase 2 – reviews. The ultimate goal is to help jurisdictions to effectively implement the international standards of transparency and exchange of information for tax purposes.

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Key Findings

The Phase 2 review rates [Curaçao](#) as overall partially compliant with the international standard. Curaçao has an extensive exchange of information network of 87 jurisdictions. Following its Phase 1 review, Curaçao made significant improvements to its legal framework which now ensures the availability, access and exchange of information. However, the review finds that there is a lack of oversight and enforcement of this legal framework. There were also some impediments to accessing information regarding some entities, and some cases of interpretation issues of the standard which had a practical impact on the exchange of information. Finally, Curaçao experienced some difficulty in answering EOI requests in a timely manner due to a lack of dedicated resources to EOI and monitoring of internal deadlines. Curaçao had since started making improvements to prioritise organisational resources in the government

which included establishing formal EOI processes to monitor and process incoming EOI requests. For further information on Curaçao's exchange of information practices and to read the full report click [here](#).