

STEP

Society of Trust and
Estate Practitioners



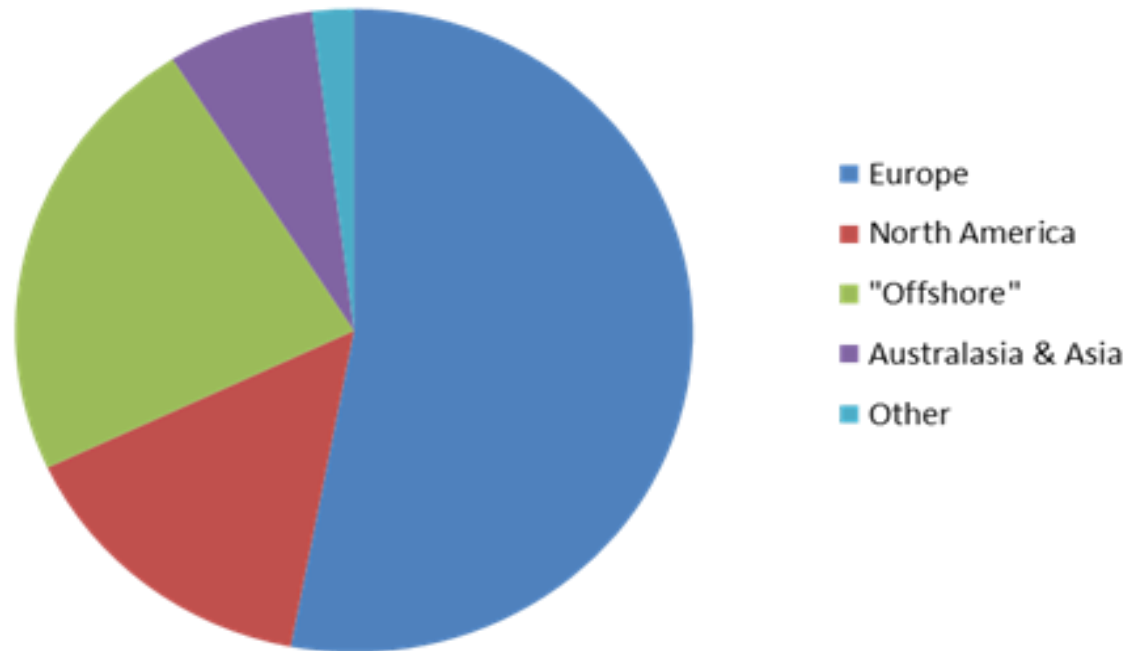
OECD Peer Review Process: Prospects for a Level Playing Field

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- 25% of STEP members are in IFCs





STEP's Position on Tax

- All citizens should pay the tax they are legally obliged to.
- All citizens have the right to seek professional advice to guide them through the tax maze.
- STEP members help clients pay the right amount of tax.
- Tax authorities have the right to pursue tax evaders and those who knowingly assist them.



STEP's Position on TIEAs

- TIEAs are a cost-effective solution to improving international tax transparency.
- The alternative approach - inconsistent unilateral initiatives (such as FATCA) - risks much higher costs for all law abiding tax-payers for limited benefits.
- The Global Forum peer review process needs to be seen as constructive and fair.
- We welcome the willingness of the Global Forum to engage with third parties.



TIEAs & Peer Reviews – the issues

- Are TIEAs being used by larger economies to block growth of DTA's?
- Inconsistent approaches between peer review groups.
- Inconsistent approaches between Global Forum and FATF.
- Concerns remain over issue of information exchange with weak/despotic governments.



Helping the Global Forum

- STEP keen to help improve international knowledge of trusts and related issues.
- Perceived bias of many international institutions towards civil law solutions - understanding of common law is patchy – note EU programme to build trust between differing legal systems.
- STEP has engaged in positive technical work with Global Forum secretariat – keen to continue.
- Keen to assist Peer Review teams and local administrations improve understanding of technical issues.



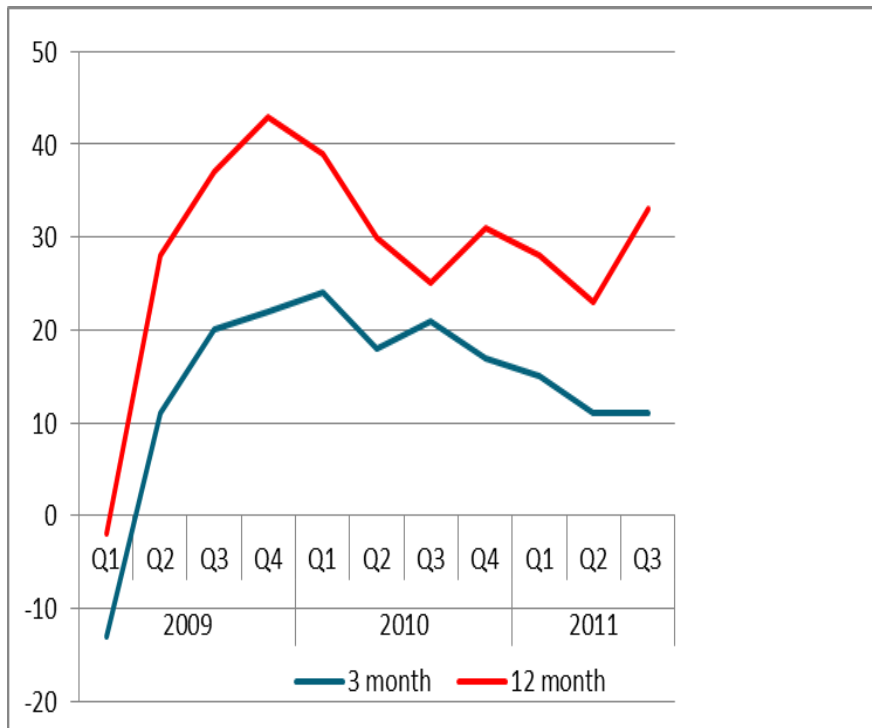
Beyond TIEAs - defining the tax base

Debate now moving from transparency to tax base:

- Corporate tax - CCTB yet to command consensus.
- Personal tax – international inconsistency:
citizenship/residence/domicile?
- Trusts – cross border trusts seen as problematic – place
of effective management?



STEP Confidence Survey



- 70% of STEP IFC members agree secrecy is dying – and are confident about business impact.
- Near term – economy, not transparency is main worry.