
Turks & Caicos Islands Economic Substance Return Form



Exchange of Information Unit Ministry of Finance

1	Applicant	
2	Entity Name	
3	Address	
Street Address:		
Street Address Line 1:		
City:		
State/Province:		
Postal/ Zip Code:		
Country:		
4	Is the reporting Entity a Resident Entity	<input type="radio"/> Yes <input type="radio"/> No
5	If you answered no above, which jurisdiction are you resident for tax purposes:	
<i>You are required to provide (1) all the documentation that is necessary to support your response and (2) written details and explanations on the reasons for their answers.</i>		

6	Provide TIN or Similar for Jurisdiction of Tax Residence	
7	Please confirm*: The Entity is subject to corporate income tax on all of its income from the relevant activity by virtue of its tax residence, domicile or other criteria of a similar nature in the jurisdiction of tax residence or	Yes/No
8	The Entity is a "disregarded entity" for U.S. income tax purposes, and has a U.S. Corporation or Individual as its Parent and all of the Entity's income has been included on the tax return of the U.S. Parent	Yes/No
9	Name of Holding Entity	
10	Address of Each Holding Entity	
Street Address:		

Street Address Line 1:

City:

State/Province:

Postal/ Zip Code:

Country:

11 Details of Each Beneficial Owner:

You are required to provide (1) all the documentation that is necessary to support your response and (2) written details and explanations on the reasons for their answers.

Prefix:

First Name:

Middle Name:

Last Name:

Suffix:

12 Address of Each Beneficial Owner

Street Address:

Street Address Line 1:

City:

State/Province:

Postal/ Zip Code:

Country:

13 Name of Each Director:

You are required to provide (1) all the documentation that is necessary to support your response and (2) written details

and explanations on the reasons for their answers.

Prefix:

First Name:

Middle Name:

Last Name:

Suffix:

14 Address of Each Director

1. Name of Director:

Street Address:

Street Address Line 1:

City:

State/Province:

Postal/ Zip Code:

Country:

2. Name of Director:

Street Address:

Street Address Line 1:

City:

State/Province:

Postal/ Zip Code:

Country:

3. Name of Director:

Street Address:

Street Address Line 1:

City:

State/Province:

Postal/ Zip Code:

Country:

4. Name of Director:

Street Address:

Street Address Line 1:

City:

State/Province:

Postal/ Zip Code:

Country:

15 Business Income Type:

You are required to provide (1) all the documentation that is necessary to support your response and (2) written details and explanations on the reasons for their answers.

	Relevant Activity	CIGA	Provided
	❖ Banking Business:	(i) raising funds; (ii) managing risk including credit, currency and interest risk; (iii) taking hedging positions; (iv) providing loans, credit or other financial services to customers; (v) managing capital; and	<input type="checkbox"/> Yes <input type="checkbox"/> No

		<p>(vi) preparing reports or returns to the Commission or any authority or body with equivalent functions to the Commission with respect to the regulation or supervision of banking</p> <p>business;</p>	
	<p>❖ Distribution and Service Centre Business</p>	<p>(i) transporting and storing goods, components and materials;</p> <p>(ii) managing stocks;</p> <p>(iii) taking and processing orders; and</p> <p>(iv) providing consulting or other administrative Services.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>❖ Finance & Leasing Business</p>	<p>(i) negotiating or agreeing funding terms;</p> <p>(ii) in the case of leasing business, identifying and acquiring assets to be leased;</p> <p>(iii) setting the terms and duration of financing or leasing agreements;</p> <p>(iv) monitoring and revising finance and leasing agreements;</p> <p>(v) managing finance agreements and leases; and</p> <p>(vi) managing risks associated with finance and leasing agreements.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

<p>❖ Fund Management Business</p>	<p>(i) taking decisions on the holding and selling of investments;</p> <p>(ii) calculating risk and reserves;</p> <p>(iii) taking decisions on currency or interest fluctuations and hedging positions; and</p> <p>(iv) preparing reports and returns to investors and the Commission, any authority or body with equivalent functions to the Commission with respect to the regulation or supervision of fund management or other government authorities.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>❖ Headquarters Business</p>	<p>(i) taking relevant management decisions;</p> <p>(ii) incurring expenditures on behalf of group entities; and</p> <p>(iii) co-ordinating group activities.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>❖ Holding Entity Business*</p>	<p>(i) where the entity is a pure equity holding entity, complying with its statutory obligations under the Companies Ordinance or the Limited Partnership Ordinance, as the case may be;</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

		<p>(ii) where the entity is not a pure equity holding entity, the activities specified in paragraphs (a) to (i) that are associated with the income that the entity earns from the relevant activity concerned.</p>	
	<p>❖ Insurance Business</p>	<p>(i) predicting and calculating risk;</p> <p>(ii) insuring or re-insuring against risk;</p> <p>(iii) providing insurance business services to clients;</p> <p>(iv) preparing reports or returns to the Commission or any authority or body with equivalent functions to the Commission with respect to the regulation or supervision of insurance business.</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
	<p>❖ Intellectual Property Holding Business*</p>	<p>1) The CIGA for an entity that receives income from one or more patents, research and development relating to the patent, is as follows:</p> <ul style="list-style-type: none"> ❖ Advancing the understanding of scientific relations or technologies; ❖ Addressing scientific or technological obstacles; and ❖ Increasing scientific or technical knowledge or 	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>

developing new applications.

2) The CIGA for an entity that receives income from any intellectual property assets or assets, other than patents, is as follows:

- ❖ Marketing, branding and distribution activities relating to the asset or assets; or
- ❖ In exceptional cases, provided that the resident entity is not a “high-risk IP entity”: —
 - Taking strategic decisions and managing, as well as bearing, the principal risks related to development and subsequent exploitation of the asset or assets that generate the income;
 - Taking the strategic decisions and managing, as well as bearing, the principal risks relating to acquisition by third parties and subsequent exploitation and protection of the asset or assets;
 - and
 - Carrying on the

		underlying trading activities through which the assets or assets are exploited leading to the generation of income from third parties.	
	❖ Shipping Business	<p>(i) managing crew, including hiring, paying and overseeing crew members;</p> <p>(ii) hauling and maintaining ships;</p> <p>(iii) overseeing and tracking deliveries;</p> <p>(iv) determining what goods to order and when to deliver them; and</p> <p>(v) organising and overseeing voyages.</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
16	Holding Entity Business: <i>Provide information in regards to the exact nature of the activities provided.</i>		
17	Intellectual Property Holding Business: <i>Provide information in regards to the exact nature of the</i>		

	<i>activities provided.</i>	
18	Outsourcing:	
	<i>You are required to provide (1) all the documentation that is necessary to support your response and (2) written details and explanations on the reasons for their answers.</i>	
	Outsourced	Gross Income Statement
❖ Banking Business:	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
❖ Distribution and Service Centre Business	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
❖ Finance & Leasing Business	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
❖ Fund Management Business	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
❖ Headquarters Business	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
❖ Holding Entity Business	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
❖ Insurance Business	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
❖ Intellectual Property Holding Business	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

❖ Shipping Business	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
19	Details of Activities which are outsourced: <i>You are required to provide (1) all the documentation that is necessary to support your response and (2) written details and explanations on the reasons for their answers.</i>	
20	Outsourcing Provider Name	
21	Outsourcing Provider Licensing/Registration Category	
22	Trade or Business License Number	
23	Contact Details of Outsourcing Provider	
	Name: Street Address: Street Address Line 1: City: State/Province: Postal/ Zip Code: Country: Email Address: Position:	
24	Detail how the relevant activities they undertake in TCI are	

	<p>directed and managed in TCI:</p> <p><i>You are required to provide (1) all the documentation that is necessary to support your response and (2) written details and explanations on the reasons for their answers.</i></p>	
25	Details of Gross Income	
26	Details of Operating Expenditure & List of Physical Assets on Island:	
27	Number of Full Time Employees	
28	Number of Qualified Employees	
29	Details of Experience for Each Employee	

30 Select the additional Documentation Provided		
	Provided	Not Provided
❖ Business License		
❖ Company Documents		
❖ Financial Statements		
❖ Details of Each Board Meeting Held in the Islands		
❖ Other Supporting Documents (Please Detail)		
31	Declaration	
<p>I hereby confirm that all information in this Form is accurate and acknowledges that there are sanctions for knowingly or willfully supplying false or misleading information under section 22(2) Companies and Limited Partnerships (Economic Substance) Ordinance 2018.</p>		



GUIDANCE NOTES ON COMPLETION OF FORM

Applicants must complete all fields in the document. Once completed they should be uploaded to the portal or emailed to (insert the address).

Once reviewed the Exchange of Information Unit (“Unit”) reserves the right to request any additional information required to verify the information provided.

For ease of reference, find detailed below information regarding the relevant activities under Economic Substance.

Relevant Activities

If your Company provides more than one (1) of the relevant activities listed on the form, you are required to check off all on the list. Also select whether the Entity outsources those activities and if the Gross Income Statement for those activities are provided.

“Relevant activity” under the ESO includes each of the following:

- ❖ banking business;
- ❖ distribution and service centre business;
- ❖ finance and leasing business;
- ❖ fund management business;
- ❖ headquarters business;
- ❖ holding Entity business;
- ❖ insurance business;
- ❖ intellectual property holding business; and
- ❖ shipping business.

Banking Business

The definition of banking business can be found in the Banking Ordinance Cap. 16.02. The definition under this Ordinance means the business of accepting deposits of money which may be withdrawn or repaid on demand or after a fixed period or after notice, and the employment of those deposits in whole or in part by lending or any other means for the account and at the risk of the person accepting such deposits.

Distribution and service centre business

The definition encompasses companies which purchase from a group Entity raw materials or component parts for products or products ready-for-sale or resale outside of the Islands to other non-resident members of the same group, or to connected persons.

Financing and Leasing Business

Finance and Leasing Business means the business of providing credit facilities of any kind for consideration, but excludes any activity included within banking business, fund management business or insurance business.

Consideration includes any company which offers credit or financing of any kind, such as loans, long term credit plans and finance leases in relation to assets other than land. Intra-group financing is encompassed in this definition.

Fund Management Business

The definition provides for companies that provide management services to funds but does not include the fund itself.

Headquarters Business

Headquarters Business is defined under the ESO as a resident Entity which provides headquarters services to other non-resident members of the same group/connected persons. A headquarters services include:

- ❖ The provision of senior management;
- ❖ Taking responsibility or control of material risk for activities carried out by, or assets owned by, any of those persons; and
- ❖ The provision of substantive advice in relation to such risks.

Insurance Business

Insurance Business is conducted when contracts which protect persons against loss or liability is affected or carried out. Also, where there has been the payment of money or something of value on the occurrence of a particular event, this also includes re-insurance business and running-off business including the settlement of claims.

Intellectual Property Holding Business

Intellectual Property Holding Business is the business of holding, exploiting or receiving income from an intellectual property asset or assets.

The CIGA for Intellectual Property Holding Business is divided into two (2) classifications: 1) where the Entity holds, exploits or receives income from one or more patents, research and development relating to the patent, and 2) where the Entity holds, exploits or receives income from any intellectual property assets or assets, other than patents.

Shipping Business

A company is a Shipping Business if it undertakes activities that involve the operation of a ship anywhere in the world other than in the territorial waters of the Islands or between the Islands. The company is also: 1) in the business of transporting, by sea, persons, animals, goods or mail, 2) the renting or chartering of ships, 3) the sale of travel tickets or equivalent, and ancillary services connected with the operation of a ship, 4) the use, maintenance or rental of containers, including trailers and other vehicles or equipment for the transport of containers, used for the transport of anything by sea, or 5) the management of the crew of a ship.

Holding Entity Business

The purpose of a Holding Entity Business is to hold interests in another Entity. A company holds another Entity if it 1) holds a majority of the issued shares or the partnership interests in the Entity, 2) holds a majority of the voting rights in the Entity, 3) is a member or partner of the Entity and, under an agreement with other members or partners of the Entity, controls a majority of the voting rights in the Entity, 4) is a member or partner of the Entity and has the right to appoint or remove the majority of the directors of the first Entity, or 5) is the holding Entity of a holding Entity of the Entity.

Gross Income and Operating Expenditure Information

Applicants are required to provide in this field the amount and type of gross income by relevant activity, this would be the turnover figure from the financial statements or similar.

In reference to operating expenditure, this includes the amount of operating expenditure by relevant activity in the Islands. The company's operating expenditure from the financial statements (or similar), excluding ca