

Saint Kitts and Nevis

Saint Kitts and Nevis has met all aspects of the terms of reference (OECD, 2017^[3]) (ToR) for the calendar year 2019 (year in review) and no recommendations are made.

Saint Kitts and Nevis can legally issue five types of rulings within the scope of the transparency framework but in practice has never issued any rulings.

As no exchanges were required to take place, no peer input was received in respect of the exchanges of information on rulings received from Saint Kitts and Nevis.

A. The information gathering process

902. Saint Kitts and Nevis can legally issue the following five types of rulings within the scope of the transparency framework: (i) preferential regimes;¹ (ii) cross-border unilateral APAs and any other cross-border unilateral tax rulings (such as an advance tax ruling) covering transfer pricing or the application of transfer pricing principles; (iii) rulings providing for unilateral downward adjustments; (iv) permanent establishment rulings; and (v) related party conduit rulings.

903. For Saint Kitts and Nevis, past rulings are any tax rulings within scope that are issued prior to 1 September 2018. However, there is no obligation for Saint Kitts and Nevis to conduct spontaneous exchange information on past rulings. Future rulings are any tax rulings within scope that are issued on or after 1 September 2018.

904. In the prior years' peer review reports, it was determined that Saint Kitts and Nevis's undertakings to identify rulings and all potential exchange jurisdictions were sufficient to meet the minimum standard. In addition, it was determined that Saint Kitts and Nevis's review and supervision mechanism was sufficient to meet the minimum standard. Saint Kitts and Nevis's implementation remains unchanged, and therefore continues to meet the minimum standard.

905. Saint Kitts and Nevis has met all of the ToR for the information gathering process and no recommendations are made.

B. The exchange of information

906. In the prior years' peer review reports, it was determined that Saint Kitts and Nevis' process for the completion and exchange of templates were sufficient to meet the minimum standard. Saint Kitts and Nevis' implementation in this regard remains unchanged and therefore continues to meet the minimum standard.

907. Saint Kitts and Nevis has international agreements permitting spontaneous exchange of information, including being a party to the (i) *Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol* (OECD/Council of Europe, 2011_[4]) ("the Convention").²

908. As Saint Kitts and Nevis did not issue any future rulings in scope of the transparency framework in the relevant period, Saint Kitts and Nevis was not required to exchange any information on rulings in the year in review and no data on the timeliness of exchanges can be reported.

Conclusion on section B

909. Saint Kitts and Nevis has the necessary legal basis for spontaneous exchange of information, a process for completing the templates in a timely way and has completed all exchanges. Saint Kitts and Nevis has met all of the ToR for the exchange of information process and no recommendations are made.

C. Statistics (ToR IV)

910. As no rulings were issued, no statistics can be reported.

D. Matters related to intellectual property regimes (ToR I.4.1.3)

911. Saint Kitts and Nevis offered three preferential regimes, which also provided benefits to income from intellectual property (IP regime).³ However, for the year in review, no transparency requirements were relevant, as follows:

- **New entrants benefitting from the grandfathered IP regime:** not applicable for the year in review, because Saint Kitts and Nevis was in the process of finalising the grandfathering rules for all three regimes. The implementation of the enhanced transparency requirements will be taken into account during the subsequent peer review.
- **Third category of IP assets:** not applicable to these regimes, as the regimes were inoperative during the year in review.
- **Taxpayers making use of the option to treat the nexus ratio as a rebuttable presumption:** not applicable to these regimes, as the regimes were inoperative during the year in review.

Summary of recommendations on implementation of the transparency framework

Aspect of implementation of the transparency framework that should be improved	Recommendation for improvement
	No recommendations are made.

References

OECD (2017), *BEPS Action 5 on Harmful Tax Practices - Terms of Reference and Methodology* [3] for the Conduct of the Peer Reviews of the Action 5 Transparency Framework, OECD Publishing, Paris, <http://www.oecd.org/tax/beps/beps-action-5-harmful-tax-practices-peer-review-transparency-framework.pdf>.

OECD (2015), *Countering Harmful Tax Practices More Effectively, Taking into Account Transparency and Substance, Action 5 - 2015 Final Report*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264241190-en>.

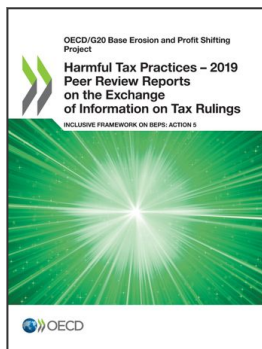
OECD/Council of Europe (2011), *The Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264115606-en>.

Notes

¹ 1) Nevis LLC, 2) Nevis business corporation and 3) Companies act – exempt companies.

² Parties to the Convention are available here: www.oecd.org/tax/exchange-of-tax-information/convention-on-mutual-administrative-assistance-in-tax-matters.htm.

³ 1) Nevis LLC, 2) Nevis business corporation and 3) Companies act – exempt companies.



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