

WITHHOLDING TAX UPDATE



Fall 2021

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Welcome to the Fall 2021 edition of the *Withholding Tax Update* Newsletter!

It has been another eventful year, but as always, GlobeTax remains committed to processing your withholding tax entitlements while providing you with the latest market news.

In this issue, we provide several important updates for France, explain certificate of residency changes for Italian refunds, offer a reminder about the Vivendi special dividend and more. Replacing Joe's Handy Hints, but following in the same spirit, is "The Moore You Know," which features helpful tips from *Withholding Tax Update's* new editor-in-chief, Danette Moore. Danette will be assisted by Kevin Hughes, Jr., who shares her love of the German language and a good schnitzel.

Best,

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Statute of Limitations Reminder

The following markets have end-of-year statute of limitations deadlines. Please refer to the important notice or contact the market representative for submission deadlines.

Austria	France	Netherlands	Sweden
Belgium	Germany	Norway	Switzerland
Finland	Ireland	Portugal	



Changes to Long Form Claim Filing Process for Transparent Entities in France

Underlying individual investors within a transparent entity must submit a standalone certificate of residency as well as Form 5000/5001 to receive the reduced French statutory rate of 12.8%. Claims submitted without a standalone certificate of residency will only be eligible for the 15% rate.

Previously, to apply for the reduced statutory rate, underlying individual investors were able to provide documents in the name of the partnership or trust and note the individual on the certificate of residency.

For more information on this change, please contact FranceESP@GlobeTax.com.



French Statutory Rate Reduced to 25%

Effective January 1, 2022, the statutory withholding rate for French dividends will be reduced to 25% from the current 26.5%.

Any dividend with an ordinary pay date of January 1, 2022 will be taxed at the new statutory rate. All dividends will be taxed at this rate with the exception of individuals, who will continue to be taxed at a rate of 12.8%. Participants are encouraged to carefully review published notices for applicable rates and dividend details.

Withholding Rate	Reclaim Rate
25.00%	0.00%
15.00%	10.00%
12.80%	12.20%
0.00%	25.00%

For more information on this change, please contact FranceESP@GlobeTax.com.



Royal Dutch Shell to Potentially Move Headquarters to London

Energy company Royal Dutch Shell has recently announced it may relocate its headquarters to London from its existing location in the Netherlands.

Should the company relocate its headquarters to the UK, it is likely there will be no withholding tax on Shell dividends, as is typical for UK companies. If your clients hold Shell and are eligible for tax entitlements in the Netherlands, the statute of limitations will remain five years regardless of the company's move. GlobeTax can help your clients reclaim their eligible entitlements.

For more information on this change, please contact DutchESP@GlobeTax.com.



Changes to Certificates of Residency Requirements for Italian Refunds

Following guidance from our custodial bank partners, GlobeTax now requires that certificates of residency used in Italian ADR tax reclaim processes mention the Double Taxation Treaty between Italy and the applicable country of beneficial owner residence. This change applies to all non-US beneficiaries; US-based beneficiaries may still use the generic IRS Form 6166.

For more information, please contact ItalyESP@GlobeTax.com.



Special Vivendi Dividend Subject to Sizeable Withholding

The Management Board of Vivendi SE ("Vivendi") approved the distribution of a special dividend in the form of shares of Universal Music Group N.V. ("UMG"). The special dividend and the interim dividend were paid out in a single transaction on September 29, 2021. The ADR went record on October 4, 2021, and holders may have experienced sizeable French withholding on the special dividend, which was made in the form of shares of the spinoff subsidiary, UMG. Meaningful portions of the withholding may be available for recovery, considering the size of the special dividend.

GlobeTax's long form team is prepared to support DTCC Participant clients who may have been subject to withholding and wish to pursue a reclaim. Subject to minimums, the service is fully contingent.

For more information, please contact Len Lipton at Info@GlobeTax.com.



Non-US Entities Now Accepted for All RAS/QR Events in Sweden

Non-US beneficial owners are now eligible for all Relief at Source and Quick Refund reclaim events in Sweden. Previously, non-US beneficiaries faced possible rejection if submitted under Relief at Source and Quick Refund procedure types.

For more information, please contact SwedenESP@GlobeTax.com.



Celebrating One Year of ESP 2.0

GlobeTax redesigned ESP in 2020 to enable users to submit more claims in fewer clicks. Our users report boosted efficiency thanks to our quality-of-life improvements such as bulk upload, partial submission across all markets, customizable reporting and more. Our metrics attest to these claims.

Since the launch of ESP 2.0 in 2020:

- » 7,000,000+ beneficiaries have been submitted to the system
- » 110,000+ documents have been created by the system
- » An impressive 16,000,000,000 DR shares have been disclosed

We wish you continued success with the system and encourage you to complete our recent client satisfaction survey.

For other questions or concerns, please utilize our Help Desk feature in ESP.



Hint #1 - Keep hard copies on file!

For markets that only require scanned copies, such as Denmark or Sweden, save on postage by keeping your hard copies on file unless requested by GlobeTax.

Hint #2 - Use labels to ensure documentation is delivered correctly

Ensure claims are sent to the correct team and minimize the risk of lost paperwork by labelling packages and clearly separating reclaims for relevant countries. For instance, if a package includes documents for Germany and Ireland, include a reference like this: (REF - DCI - Germany / Ireland) and separate the claims for each country with