

# WITHHOLDING TAX UPDATE



Fall 2022

## What's Inside

Clarification on Bank Statements Needed for Long Form Reclaims in Belgium.....	2
Korea Simplifies Relief at Source Documentation....	2
GlobeTax Resumes Servicing BNYM DR Programs.....	2
Relief at Source and Quick Refund Reinstated for Citibank-Sponsored Finnish Events.....	3
Beneficial Owner Breakdown Disabled in ESP.....	4
Additional Countries Added to ESP .....	4
Changes for Transparent Entities Submitting Reclaims in Switzerland.....	4
Statute of Limitations Deadlines to Submit Expiring Reclaims to GlobeTax.....	5
The "Moore" You Know.....	5

Welcome to the Fall 2022 edition of the Withholding Tax Update Newsletter!

2022 has been eventful. We have seen changes across markets including Belgium, Republic of Korea, Finland, and Switzerland.

GlobeTax remains committed to providing the marketplace with a summary of market significant changes, updates to our ESP system, and more.

At the end of this edition, we have also included a matrix summarizing upcoming statute of limitation deadlines. Please review the chart carefully to ensure that your clients provide all necessary information, or risk forfeiting their entitlements.

Best,

*Danette Moore*

Danette Moore  
Editor in Chief

Stay in touch with the **GlobeTax Depository, CSD, & Issuer Services team**



Gregory Lewis  
Executive Director  
[Gregory\\_Lewis@GlobeTax.com](mailto:Gregory_Lewis@GlobeTax.com)



Jonathan Staake  
Director  
[Jonathan\\_Staake@GlobeTax.com](mailto:Jonathan_Staake@GlobeTax.com)



Leann Maurice  
Senior Vice President  
[Leann\\_Maurice@GlobeTax.com](mailto:Leann_Maurice@GlobeTax.com)

**GLOBETAX**

GlobeTax.com | +1 (212) 747-9100

© 2022 GlobeTax Services, Inc



## Clarification on Bank Statements Needed for Long Form Reclaims in Belgium

The Belgian Tax Authority has advised that many bank statement formats currently supplied by DTC Participants are insufficient. As a result, the Belgian TA is delaying processing, requesting additional documents, and, in some cases, rejecting claims.

As a reminder, the Belgian Tax Authority requires bank statements for all long form claims. These statements cannot be manufactured or edited for the reclaim application. The statement must be a legitimate print out of the account statement and prove the Beneficial Owner received a net dividend on the ADR pay-date.

Please direct questions regarding these requirements to [BelgiumESP@globetax.com](mailto:BelgiumESP@globetax.com).



## Korea Simplifies Relief at Source Documentation

Relief at Source (RAS) in the Republic of Korea previously required submission of a physical cover letter and prospectuses for OPCIVs. After consultation with the local agent, scans are now accepted in lieu of originals. GlobeTax has amended our requirements and requests that brokers submit scans of signed cover letters and prospectuses instead of originals.

For other entity types outlined in the eligibility matrix, GlobeTax will still require physical documentation in support of the reclaim submissions.

Finally, brokers now need to use the updated English tax forms, found [here](#). These will also be generated as part of your ESP submission starting in October 2022.

Please direct questions regarding these changes to [KoreaESP@globetax.com](mailto:KoreaESP@globetax.com).



## GlobeTax Resumes Servicing BNYM DR Programs

GlobeTax has resumed servicing The Bank of New York Mellon's sponsored DR programs for the following countries:

- Japan ([JapanESP@globetax.com](mailto:JapanESP@globetax.com))
- Austria ([AustriaESP@globetax.com](mailto:AustriaESP@globetax.com))
- Finland ([FinlandESP@globetax.com](mailto:FinlandESP@globetax.com))
- Norway ([NorwayESP@globetax.com](mailto:NorwayESP@globetax.com))
- Republic of Korea ([KoreaESP@globetax.com](mailto:KoreaESP@globetax.com))

Relevant events, both historic and upcoming, can be found on ESP. Please submit eligible expiring reclaims to GlobeTax by the applicable deadlines.

If you have any further questions, please contact the market team directly.



## Relief at Source and Quick Refund Reinstated for Citibank-Sponsored Finnish Events

Citibank is now a registered Authorized Intermediary with the Finnish Tax Authority. As a result, Relief at Source and Quick Refund procedures have resumed for Citibank-sponsored Finnish events.

The below table provides a simplified overview of tax rates and eligibility for Relief at Source and Quick Refund.

GlobeTax will accept quick refund submissions through October 25, 2022, for current pay-date year events. The long form reclaim process remains unchanged, so please refer to the eligibility matrix on ESP for all required documentation and further information.

Please direct questions regarding these requirements to [FinlandESP@globetax.com](mailto:FinlandESP@globetax.com).

Tax Rate	Description	Requirements
50%	Punitive tax rate - undisclosed Finnish holders	Appendix A
35%	Standard statutory rate	N/A
30%	Non-Finnish individuals - Statutory Rate	Disclosure
20%	Non-Finnish legal entities - Statutory Rate	Disclosure
25.5%	Finnish individual	Disclosure
20%	Eligible countries based on double taxation treaty	Disclosure and one of the following documents: Investor Self Declaration, Certificate of Residency, or tax relief at source card
15%	Eligible countries based on double taxation treaty	Disclosure and one of the following documents: Investor Self Declaration, Certificate of Residency, or tax relief at source card
0%	Eligible countries based on double taxation treaty and Finnish Corporations	Disclosure and one of the following documents: Investor Self Declaration, Certificate of Residency, or tax relief at source card (additional requirements if over dividend threshold)



## Beneficial Owner Breakdown Disabled in ESP

GlobeTax has disabled the Beneficial Owner Breakdown in ESP. Disabling this document has allowed us to meet user demand for larger bulk submissions, decrease the load times experienced during peak submission times, and supports our “go green” initiative.

For an alternative to the Beneficial Owner Breakdown, clicking the Excel icon next to the Required/Optional documents generated for the claim will allow you to download your submission file. This submission file will display much of the same information that was available on the Beneficial Owner Breakdown, but in a slightly different format.

If you have any questions, concerns, or suggestions, please do not hesitate to contact the Support Team at [Support@globetax.com](mailto:Support@globetax.com).



## Additional Countries Added to ESP

GlobeTax’s ESP system continues to grow with the addition of new markets. We have added the following markets in 2022:

- Australia
- Chile
- Luxembourg
- New Zealand
- Taiwan
- United Kingdom – REIT Distributions Only

As an additional enhancement, we are now offering Italian long form on ESP. If you have any questions about the submission process or documents, please contact [Support@globetax.com](mailto:Support@globetax.com).



## Changes for Transparent Entities Submitting Reclaims in Switzerland

The Switzerland Federal Tax Administration (SFTA) has confirmed that reclaims for transparent entities that hold must be submitted on behalf of the ultimate beneficial owner(s) and not other underlying entities which make up the transparent entity.

*Example: John Doe LLC is a transparent entity with two underlying trusts, Jane Doe Trust and Jim Doe Trust. If a broker submitted Jane Doe Trust and Jim Doe Trust as the beneficial owners, this claim would be rejected. The SFTA requires the underlying beneficial owner(s) of the Jane Doe Trust and Jim Doe Trust and not the trusts themselves.*

Disclosure details must be provided for the ultimate beneficial owner(s) including BO name, TIN, address, shares, and percentage of shareholdings.

Please direct questions regarding these requirements to [SwitzerlandESP@globetax.com](mailto:SwitzerlandESP@globetax.com).



# Statute of Limitation Deadlines to Submit Expiring Reclaims to GlobeTax

Market	Statute of Limitations (Years)	Impacted Events	GlobeTax 2022 Deadline
Austria	5	2017	December
Belgium	4	2018	October
Finland	3	2019	October
France	2	2020	October
Germany	4	2018	October
Ireland	4	2018	November
Luxembourg	1	2021	December
Netherlands	5	2017	October
Norway	5	2017	October
Portugal	2	2020	October
Sweden	5	2017	October
Switzerland	3	2019	December

## Notes:

- » Please note this table does not represent an exhaustive list of filing deadlines. Please refer to the relevant Important Notice for final deadlines.
- » Additional fees (including upfront fees) may apply after the deadline.
- » Some statute of limitations may vary depending on the beneficial owner's country of residency.

*Important Disclaimer: Claims received after the GlobeTax deadline, even if received prior to the market statute of limitations, are processed on a good faith basis, and are not guaranteed. Specific questions regarding deadlines should be directed to the relevant market representative.*



## Hint #1 - Streamline Outbound Mail

All ESP users are encouraged to include the market and representative name in the "Attention" section of the mailing label when sending documents to GlobeTax. Including this information will allow us to direct inbound claims to the correct team, expediting processing, and payment.

## Hint #2 - Keep Your ESP Accounts Up to Date

All ESP account user managers are encouraged to include a valid group e-mail address as part of their account profiles to ensure receipt of all ESP communications. We also recommend that user managers review underlying account profiles and confirm all users are active members and should still have ESP access.