

UBS Custody *News*

Priority: Medium – Markets: Switzerland/Brazil

Entry into force of the new tax information exchange agreement between Switzerland and Brazil

On January 4, 2019, the new tax information exchange agreement between Switzerland and Brazil entered into force. Its provisions are effective from January 1, 2020.

The agreement does not contain any articles which reduce withholding taxes on dividends and interest payments. The purpose of tax information exchange agreements (TIEAs) is to govern exchange of information on request between the contracting partners with regard to tax matters according to the Organization for Economic Co-operation and Development (OECD) standard.

A separate double taxation treaty between Switzerland and Brazil containing articles reducing withholding taxes on dividends and interest payments has also been signed on May 3, 2018. Due to the fact that the ratification process is still ongoing, it is not yet in force and applicable.

Entry into force

The provisions of the new tax information exchange agreement between Switzerland and Brazil are applicable for taxes arising as of January 1, 2020.

Sources:

Swiss Federal Tax Administration (ESTV)

International Bureau of Fiscal Documentation (IBFD)

Should you have any questions, please contact your UBS Custody Relationship or Client Service Manager.

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