



Corporate Migration in a Global Context

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Hong Kong
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UNHAPPY MEAL

€1 Billion in Tax Avoidance on the Menu at McDonald's



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Avenues of Reflexion

+ Is offshore dead?

+ New world = new recipes?

+ Substance & place of effective management:
the ultimate ingredients?



The big winners

- + High(er) regulation = high(er) reputation
- + Significant economic hubs
- + Acceptable places of business/residence
- + Network of DTTs/IPTs
- + Substantiated structures



What if?

- ✚ Substance and effective management difficult to implement
- ✚ Radical change of regime in the country of original incorporation
- ✚ Alternative environment more favorable

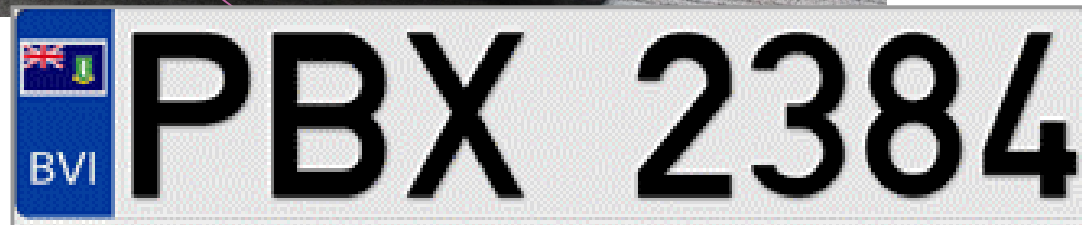


Corporate migration in a nutshell

“Process whereby a company transfers its domicile from one jurisdiction to another by changing the country under whose laws it is incorporated or registered, while maintaining the same legal identity”



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Main Benefits

- ✚ Maintain history and track record :
 - Assets
 - Contractual relationships
 - Banking facilities (including credit facilities)

- ✚ Avail benefits of destination jurisdiction



	Broad & deep	Relatively broad	Relatively deep	Emerging
	Global Leaders	Global Diversified	Global Specialists	Global Contenders
Global	Frankfurt	Amsterdam	Beijing	Moscow
	Hong Kong	Brussels	Dubai	
	London	Dublin	Geneva	
	New York	Paris	Luxembourg	
	Seoul			
	Singapore			
	Tokyo			
	Toronto			
	Zurich			

Source: The Global Financial Centres Index 17



Centres likely to become more significant

Abu Dhabi
Beijing
Casablanca
Dalian
Dubai
Gibraltar
Hong Kong
Luxembourg
Shanghai
Singapore

Source: The Global Financial Centres Index 16



No Tax

✚ The following taxes either do not exist or are not enforced:

- Corporate tax
- Personal income tax
- Withholding tax
- Capital gain tax
- Inheritance tax
- Value-added tax*

*VAT to be introduced domestically in 2018



Network of Tax Treaties

UAE	
Treaties in force: 73	Treaties in the pipeline 37



The UAE's [Tax] USP

No tax jurisdictions

- Simply no domestic tax
- No tax treaties

High tax jurisdictions

- Domestic tax but exemptions
- Tax treaty benefits

UAE

- | | |
|--|---|
| <ul style="list-style-type: none">• In practice no domestic tax, but nonetheless.....: | <ul style="list-style-type: none">• Tax treaty benefits |
|--|---|



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 IBC (SPVs)

 Domestic Co

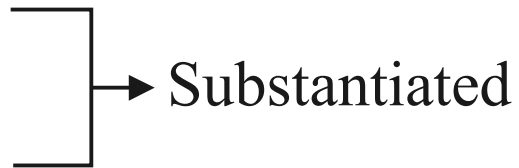
 Free Zone Co

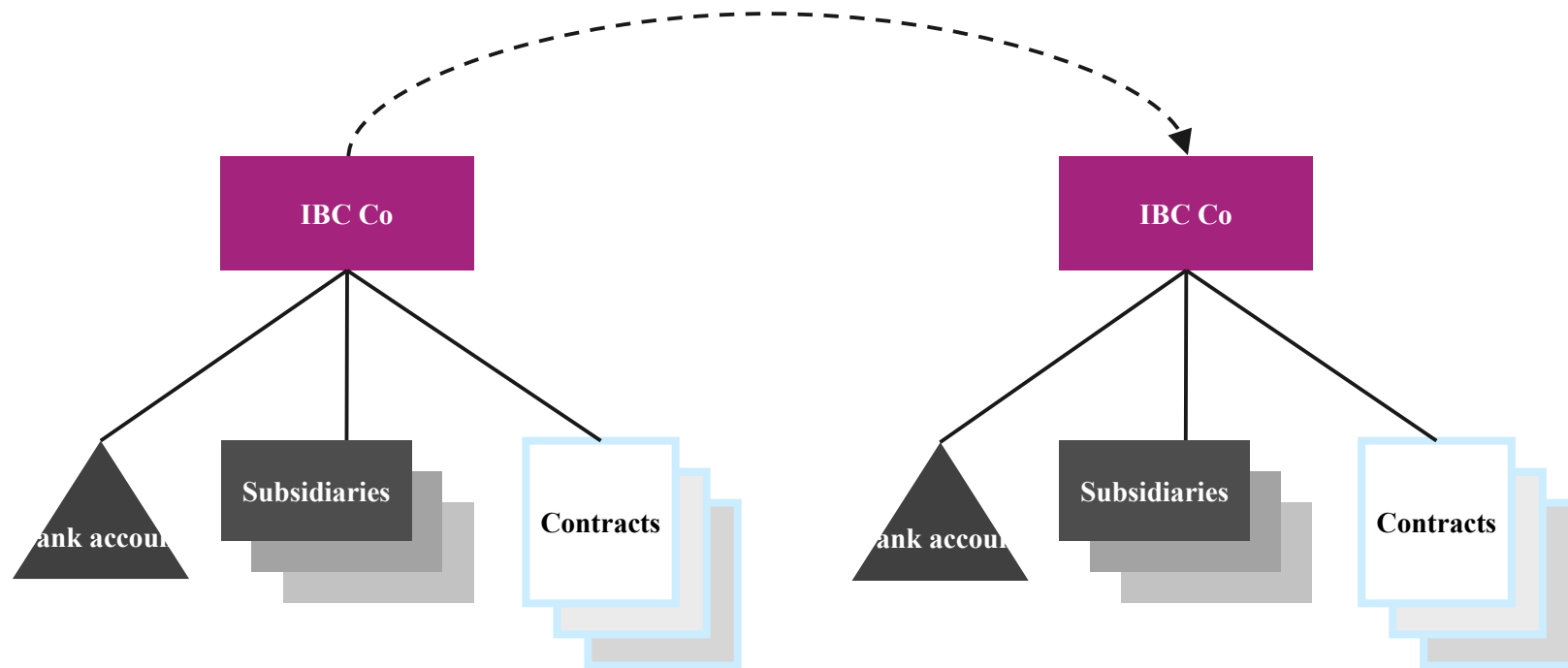


 IBC (SPVs)

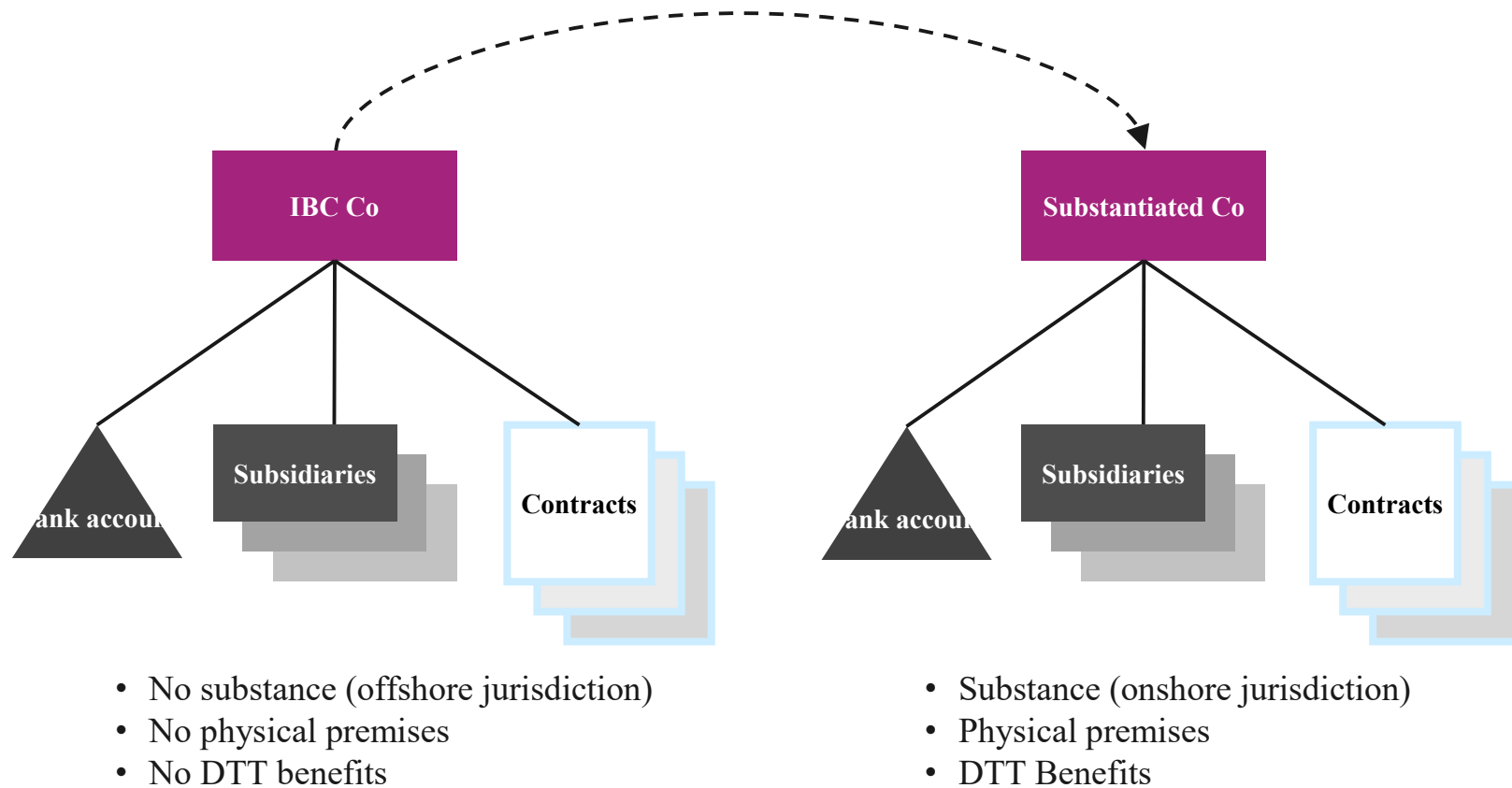
 Domestic Co

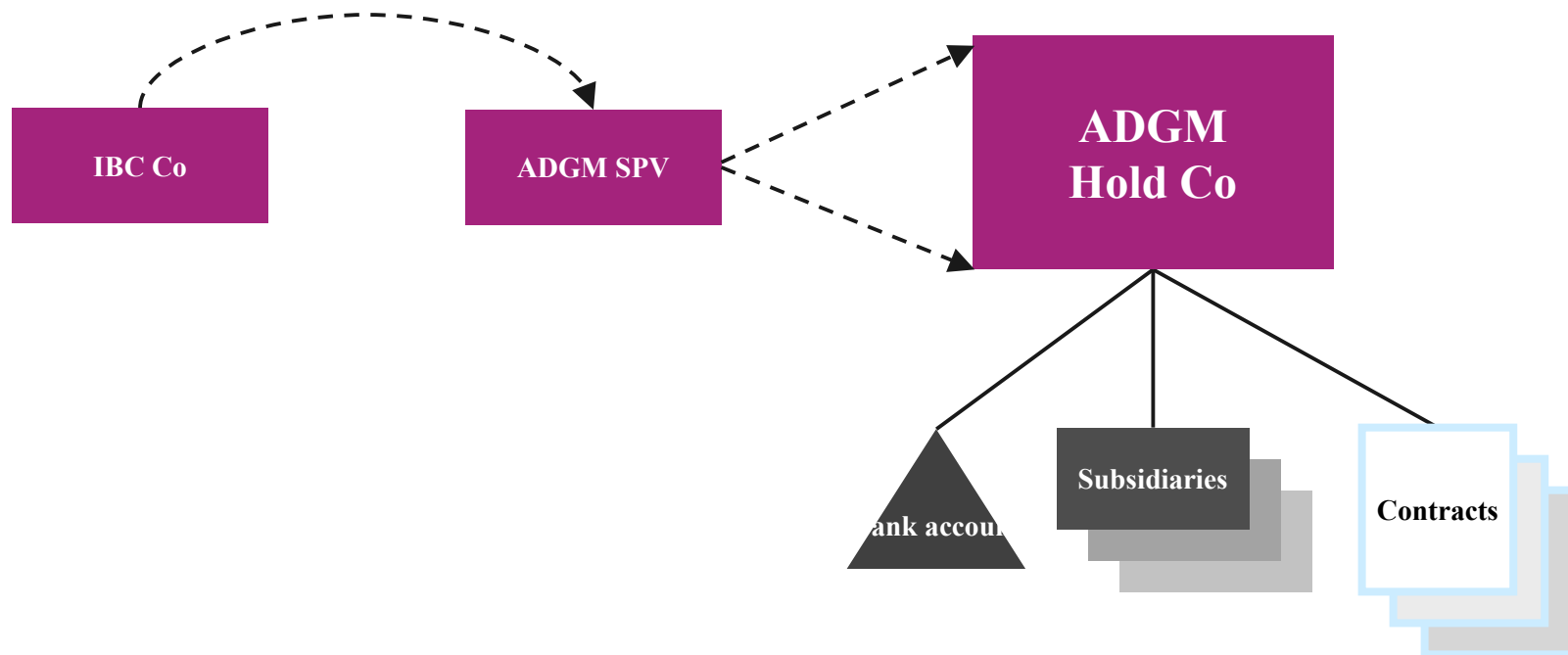
 Free Zone Co





- No substance (offshore jurisdiction)
- No physical premises
- No DTT benefits
- Offshore centre ➡ Onshore centre





- Substance (onshore jurisdiction)
- Physical premises
- DTT Benefits



What will you take home?



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