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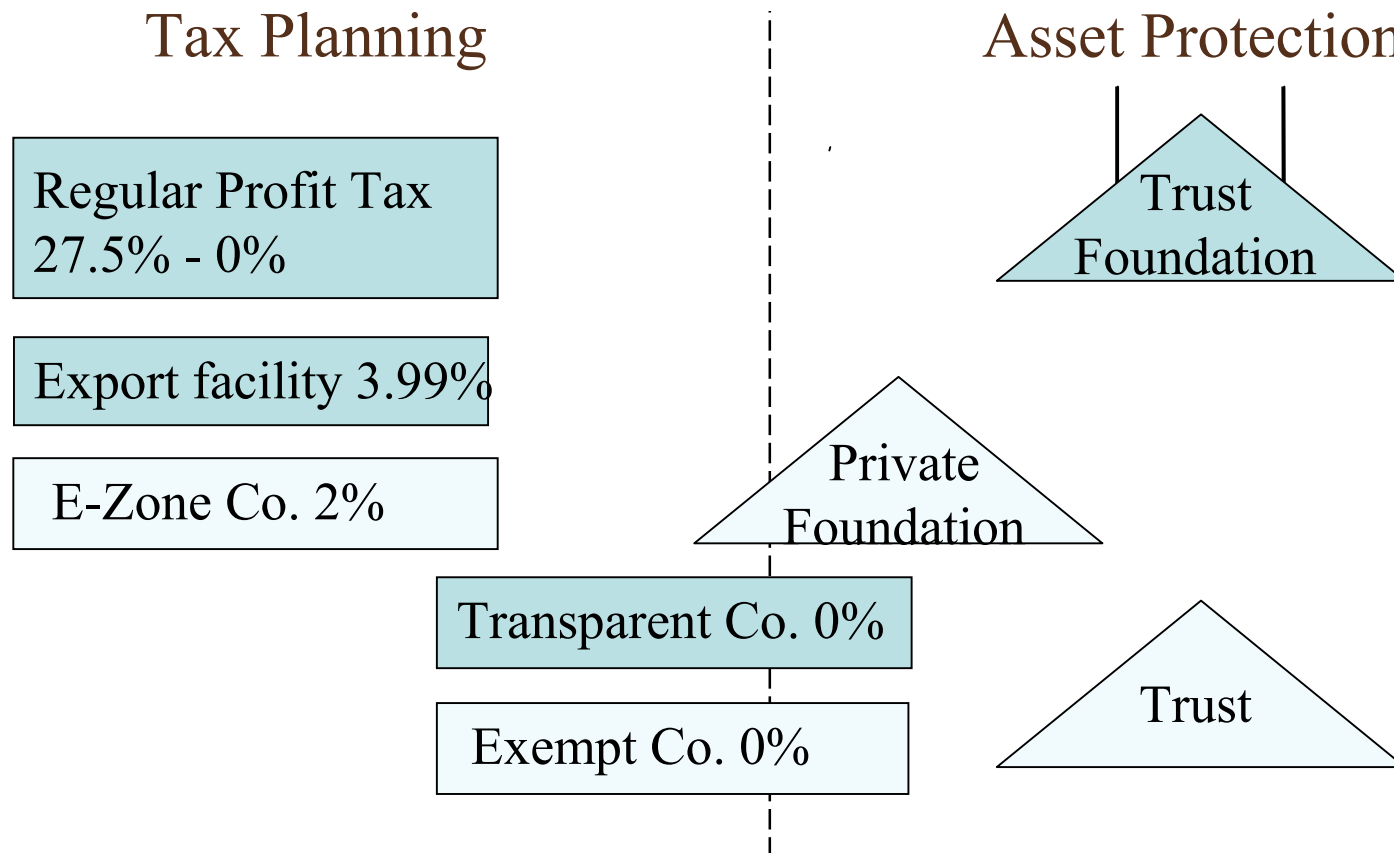
Curacao: update and new developments/opportunities
TTN Conference

Friday May 2, 2014 • Shandrix E. Fernando LL.M.



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Curacao wealth structuring tools in a nutshell





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Regular Profit Tax

General profit tax rate 27.5% to 0% through:

- Participation Exemption
- Limited thin-cap regulations
- Hybrid structure rulings (e.g. perpetual loans)
- Limited partnerships with zero-tax partners possible
- Special purpose vehicles and arrangements

- No dividend withholding tax

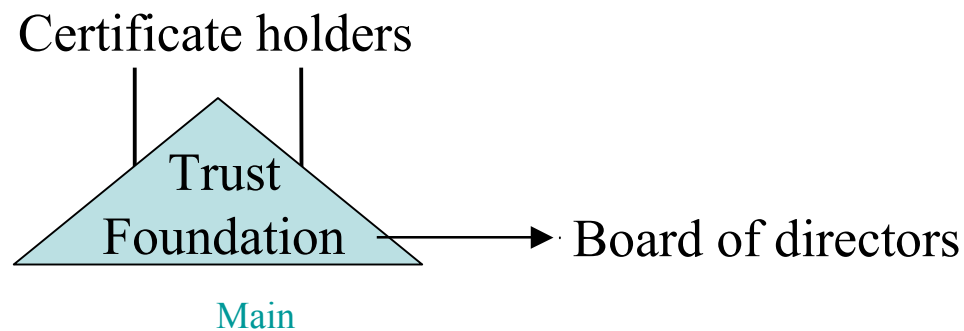
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Trust Foundation

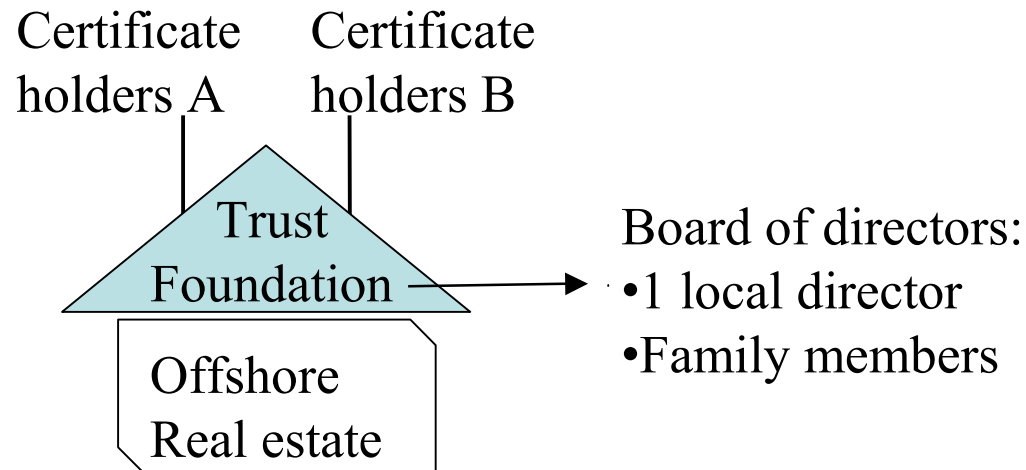
- Complete orphan foundation that issues certificates (depository receipts) as entitlement to the economic rights of its assets
- Flexible structuring, private registry of certificate holders
- Low maintenance costs
- Use: structuring of control, asset protection and identity protection





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Trust Foundation; control structure/1



- Certificate holders A have voting right to appoint board of directors
- Certificate holders B are only entitled to economic value and proceeds

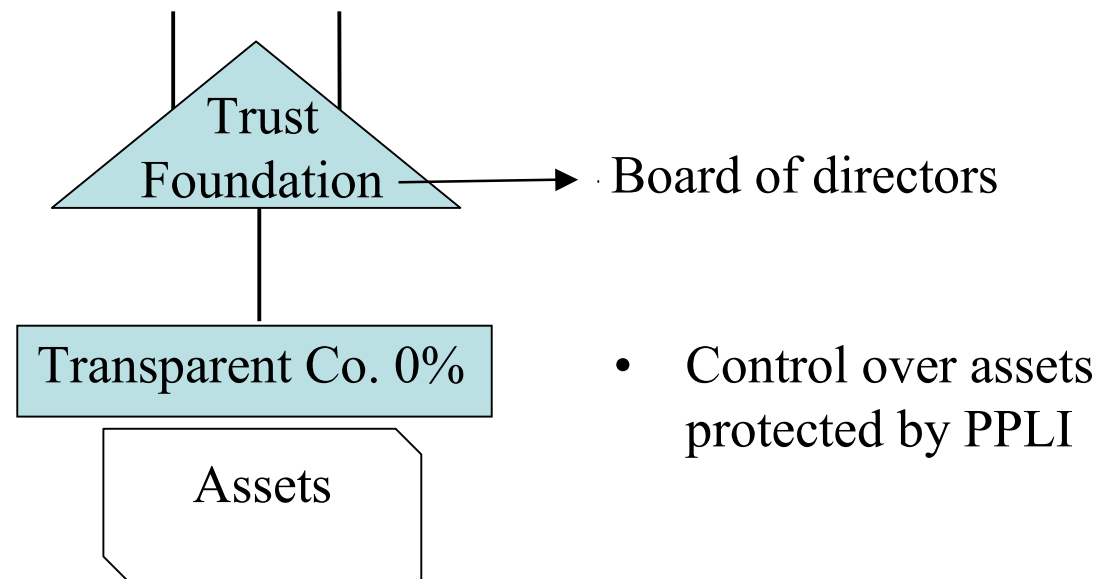
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Trust Foundation; control structure/2

Private Placed Life Insurance



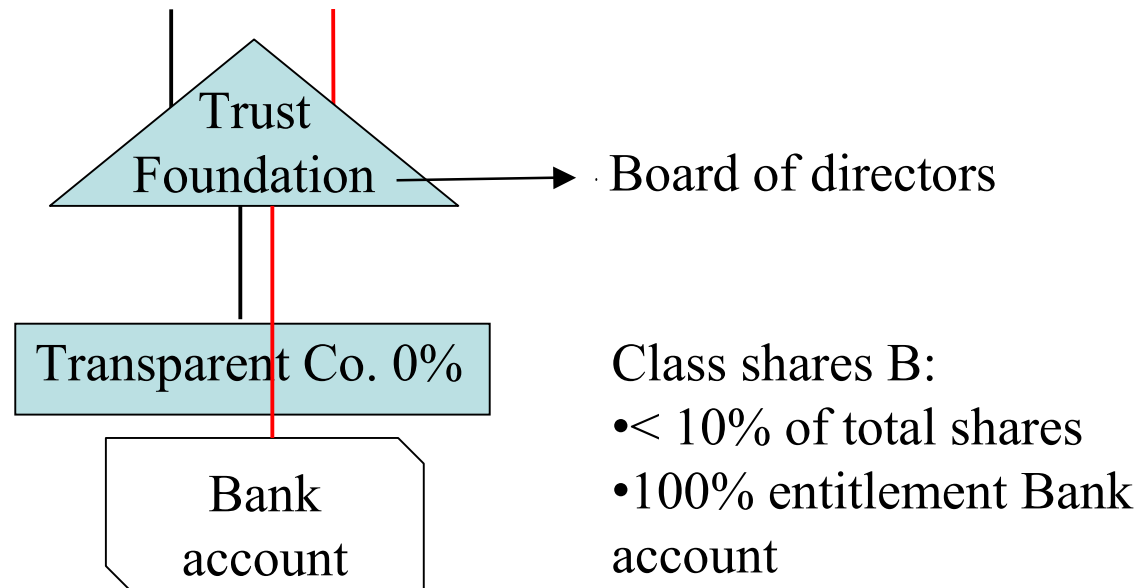
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Trust Foundation; control structure/3

UBO Shares A UBO Shares B

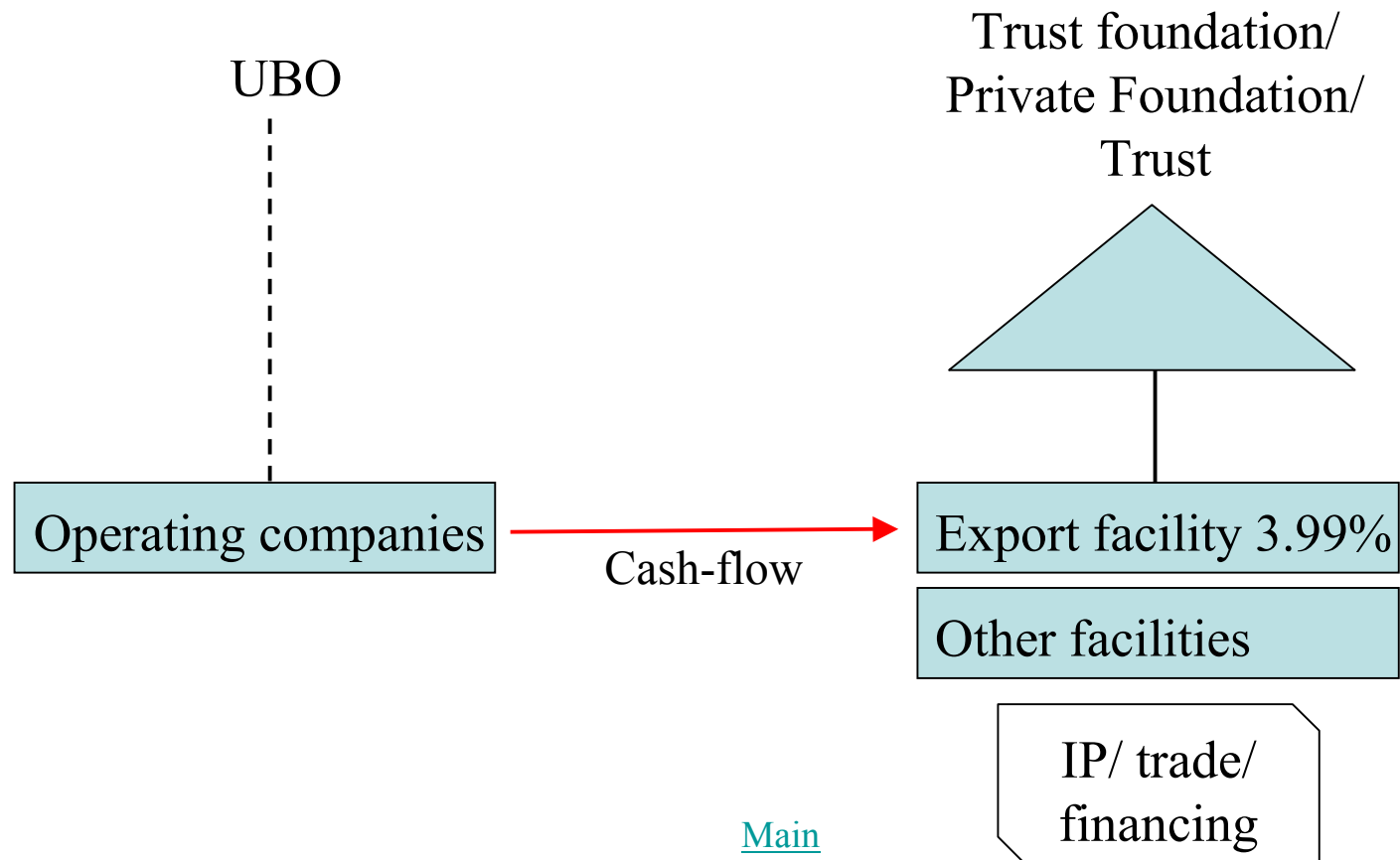


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Combination of solutions





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Export Facility

Effective tax rate of 3.99%

Activities: all, except for fiduciary, notarial, legal, accounting, tax services

Main condition: >90% foreign activities

Tax rate method:

- Use of regular taxed company (27.5%), but
 - 95% of foreign income taxed at 2.75% and
 - 5% of foreign income taxed at 27.5%

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Transparent Company

- Transparent for Curacao profit tax: 0%
- Main conditions:
 - Request must be filed with tax authorities. Upon approval, the company is considered a partnership and the shareholders its partners.
 - Assets attributed to shareholders/partners
 - Management must keep register of shareholders with >10%

[Main](#)