

# Chart for Comparison of Jurisdictions

		Cyprus	Malta	Latvia	Hong Kong	Singapore	British Virgin Islands	The Netherlands	UK			
Legal system: Continental Law (Cont) / Common Law (C)		C	C	Cont	C	C	C	Cont	C			
Corporate Law	Use of Trust Deeds/Trust Agreements (Yes/No)	Yes	Yes	No	Yes	Yes	Yes	No	Yes			
	Use of Shareholders Agreements (Yes/No)	Yes	Yes	No	Yes	Yes	Yes	No	Yes			
	Requirement of a company secretary (Yes/No)	Yes	Yes	No	Yes	Yes	No	No	No			
	Directorship requirements	Natural person or legal entity — resident of Cyprus <sup>1</sup>	Natural person or legal entity	Natural person	Natural person or legal entity	Natural person or legal entity <sup>2</sup>	Natural person or legal entity	Natural person or legal entity — resident of the Netherlands	Natural person or legal entity <sup>3</sup>			
	Requirement for other employees	No	No	No	No <sup>4</sup>	An employee of the secretary must be in the office during office hours	No	No	No			
Corporate Tax rate		12.5%	35% <sup>5</sup>	15%	16.5% <sup>6</sup>	17% <sup>7</sup>	0%	20% (25%) <sup>12</sup>	19 (25)% <sup>27</sup>			
Valid Double Tax Treaty with Russian Federation is in place (Yes/No)		Yes	Yes	Yes	Yes <sup>26</sup>	Yes	No	Yes	Yes			
Taxation	Rates of the corporate with holding tax in Russia	abroad	dividends	0%	0%	0% <sup>28</sup>	0%	0%	0% (25%) <sup>8</sup>	0%		
			interest	12.5%	5%	0% <sup>28</sup>	0% <sup>4</sup>		0% (17%) <sup>7</sup>	20% (25%) <sup>12</sup>	20% <sup>13</sup>	
			royalties	12.5%	5%	0% <sup>28</sup>	4.95%		17% <sup>11</sup>	20% (25%) <sup>12</sup>	20% <sup>13</sup>	
			capital growth	0%	0%	2% <sup>30</sup>	0%		0%	20% (25%) <sup>12</sup>	0% <sup>14</sup>	
	Rates of the corporate with holding tax in Russia	in Russia	dividends	10% (5%) <sup>15</sup>	5% (10%) <sup>31</sup>	10% (5%) <sup>16</sup>	5% (10%) <sup>32</sup>	10% (5%) <sup>17</sup>	15%	15% (5%) <sup>18</sup>	10%	
			interest	0%	5%	10% (5%) <sup>19</sup>	0%	0%	20%	0%	0%	
			royalties	0%	5%	5%	3%	5%	20%	0%	0%	
			capital growth	0% (20%) <sup>20</sup>	0% (20%)	0% (20%) <sup>20</sup>	20%	0% (20%) <sup>21</sup>	20%	0%	0% (20%) <sup>22</sup>	
	Rates of the corporate with holding tax abroad	abroad	dividends				0%	0%	0%	15% (0%) <sup>23, 34</sup>	0%	
			interest				0%	15%		0%	20% <sup>13</sup>	
			royalties	0%	0%	0%	0%	10%		0%	0%	20% <sup>13</sup>
			capital growth				0% <sup>35</sup>	0%		0%	0%	20% (10%, 0%) <sup>24</sup>
Statutory audit		Yes	Yes	Yes	Yes	Yes <sup>25</sup>	No	Yes	Yes			
Bookkeeping and submission of financial statements		Yes	Yes	Yes	Yes	Yes	No	Yes	Yes			
Administration costs	Company incorporation	from 4 100 EUR	from 4 500 EUR	from 2 550 EUR	from 3 250 EUR	from 4 900 EUR	from 1 700 EUR	from 7 000 EUR	from 5 500 EUR			
	Annual maintenance fees	from 3 500 EUR	from 3 400 EUR	from 2 400 EUR	from 3 550 EUR	from 2 500 EUR	from 1 600 EUR	from 15 000 EUR	from 6 900 EUR			
	Additional fees	350 EUR — government fee	No	No	2 250 KHD (250 EUR) business license	No	350 USD — government fee <sup>36</sup>	Government fee	No			

## Notes

1. For the purposes of Double Tax Treaty when income subject to withholding tax is paid.
2. One of the directors must be a natural person resident of Singapore or a foreigner that has a work permit in Singapore.
3. One of the directors must be a natural person resident of UK.
4. In order to be relieved from corporate tax a company must not have employees in Hong Kong.
5. Due to the tax refund system that is used at the shareholder's level the effective tax rate is from 0% to 5%.
6. Income received at source in Hong Kong is taxable with corporate tax.
7. On income earned or received (to the bank account) in Singapore. There exist allowances for new companies.
8. Zero tax rate applies in case of direct ownership of the share capital of the company paying dividends is over 5% and also in case investments into the company are not of portfolio character.
9. 20% tax rate is applied to income under 300 000 sterling pounds, to income of open-end investment and mutual funds.
10. Zero tax rate applies in case where in Russia the usual rate of tax on dividends on the date of distributing such dividends to Singapore is over 15% as well as where the permission of the relevant authority has been received.
11. Allowances are granted where royalties are received for intellectual property and innovations approved by the relevant authorities.
12. 20% tax rate is applied to income up to 200 000 EUR, 25% tax rate is applied to income over 200 000 EUR.
13. The rate can be lowered based on the special decision of the tax authority.
14. Tax is not paid if the seller is non-resident of the UK and income is not received through the UK.
15. 5% tax rate is applied where the person that has the actual right for the dividends has directly invested in the share capital of the company the amount equivalent to 100 000 EUR and above.
16. 5% tax rate is applied where the person that has the actual right for the dividends is a company (an entity other than a partnership) which owns directly at least 25% of the share capital of the company paying dividends and at the same time the amount invested in the capital is over 75 000 USD.
17. 5% tax rate is applied where the person that actually receives the dividends is the Government of Singapore or a company which owns directly over 15% of shares of the company paying the dividends and has invested in such company over 100 000 US Dollars or an equivalent amount in a different currency.
18. 5% tax rate is charged where the person that actually owns dividends is a company (an entity other than a partnership) which directly or indirectly owns the company paying dividends by over 25% and which has invested over 75 000 ECU or an equivalent amount in the national currency of Russia or the Netherlands.
19. 5% tax rate is charged when taxing interest on loans of any type granted by a bank or any other financial establishment to bank or another financial establishment.
20. Income received by a resident of one country from sale of shares in a company over 50% of the cost of which is directly or indirectly connected with real estate located in another country is taxed in the country where the real estate is located.
21. 20% tax rate is charged where the cost of sold shares is at least at  $\frac{3}{4}$  is connected with real estate located in Russia.
22. Income received by a person permanent resident of a state from sale of shares the cost of which is fully or mostly connected directly or indirectly with real estate located in another state is taxed in the country where the real estate is located.
23. Zero tax rate is applied where direct ownership in the company paying dividends is over 5% as well as where investments in the company are not of portfolio character.
24. 10% tax rate is charged on income from sale of shares where the company has owned over 10% shares of the company during minimum 12 months out of 24 months prior to the sale of shares.
25. For non-dormant companies with the turnover of over 5 million Singapore dollars.
26. The provisions of the agreement to create legal relations from 01.01.2017.
27. Basic rate of 19% has been applied since 01.04.2017. 25% rate may be applied to the companies that create artificial schemes to avoid taxes in the UK.
28. 15% rate is applied to residents of jurisdictions on the 'black list' (including Hong Kong, Maldives, Panama, BVI).
29. Effective tax rate for non-residents amounts to 4.95%. In case royalty is paid to an affiliated non-resident for the right to use intangible assets previously owned by a person carrying business in Hong Kong, effective tax rate amounts to 16.5%.

30. Revenue from assets sales (real property, shares, etc.) is subject to capital gains tax at the rate of 15%. Legal entities that are residents of Latvia deduct a tax at the rate of 2% from a selling price of real property or shares, in case a seller is a non-resident individual.
31. 5 per cent of the total amount of dividends, in case a legal person that holds an actual right for them is a company (not a partnership), which directly owns not less than 25 per cent of the capital of the company that pays the dividends, and this capital share equals not less than 100 000 EUR; 10 per cent of the total amount of dividends for other cases.
32. 5 per cent of the total amount of dividends, in case a legal person that holds an actual right for them is a company (not a partnership), which directly owns not less than 15 per cent of the capital of the company that pays the dividends; 10 per cent of total amount of dividends for other cases.
33. Russia signed the Protocol dated November 17, 2015. It applies to tax periods starting from January 1, 2017.
34. Since 01.01.2017 dividend tax withheld from non-resident legal persons and individuals may be repaid, in case a recipient of dividends and a beneficiary is a resident of a state-member of EU/EEA. Repayment amount equals tax amount which exceeds income tax payable in case a recipient is a resident of the Netherlands.
35. In case a transfer deal is a sales deal, it may be subject to an income tax.
36. Since January 1, 2018 the duty will equal 450 USD.