



MINISTRY OF
FINANCIAL SERVICES
& HOME AFFAIRS
CAYMAN ISLANDS GOVERNMENT

INDUSTRY ADVISORY

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Economic Substance Updates

The Department for International Tax Cooperation (DITC) advises industry of the following updates related to Economic Substance (ES) matters.

OUTSOURCE SERVICE PROVIDERS (OSPs)

The [DITC Portal](#) is now open for registrations of outsource service providers (OSPs). OSPs may begin the registration process by referring to the [DITC Portal User Guide](#)'s new section on registration, and clicking on the "OSP Registration" button on the DITC Portal login page.

OSPs should register in order for the Tax Information Authority to consider the OSP's services, provided to any relevant entity, in the assessment of whether that entity has satisfied the ES Test.

While there is no fixed date for the filing of this form, it should be filed by the OSP before an ES return is made which claims outsourcing of CIGA to the OSP. Where the OSP is not registered, the outsourcing claim made by the relevant entity cannot be considered when assessing whether that entity has satisfied the ES Test.

Please note, OSPs who provide services to Pure Equity Holding Companies only are **not** required to register.

ECONOMIC SUBSTANCE NOTIFICATION (ESN)

Entities are now able to submit ESNs, for the financial year commencing in 2020, via CAP or CBP (as the case may be).

This notification is required as a prerequisite to filing an Annual Return and will be due annually. The ESN is based on the financial year of the Entity and not the calendar year. For further information, please refer to the User Guides ([Bulk](#) and [Manual](#)).

The submission window for the financial year commencing in 2021 is also now available in CAP. This is primarily to facilitate Entities who wish to file their ESN in advance of dissolving / winding up during the financial year that commences in 2021.

ECONOMIC SUBSTANCE PRACTICE POINTS

The [Economic Substance Practice Points](#) have been updated to reflect the frequently asked questions received by the ES Team. The DITC will continue to keep these practice points updated regularly.

UPDATES BULLETIN

Please note that the DITC regularly revises the [Updates Bulletin](#) with the latest developments.

DITC Portal Update

The DITC team is currently working through a large volume of emails. Please refrain from sending follow-up emails on the same issue, as this will delay response times.

If your DITC Portal activation email has expired, please use the Forgot Password link (using your registered email address) on the [Portal log in page](#) to request a new email. Please ensure that the email address 'no-reply@ditc.ky' is whitelisted.

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