



MINISTRY OF
FINANCIAL SERVICES
& HOME AFFAIRS
CAYMAN ISLANDS GOVERNMENT



INDUSTRY ADVISORY

Date: Monday, 11 January 2020

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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.

ECONOMIC SUBSTANCE NOTIFICATIONS

As outlined in the [practice points](#), ESN Year 2019 will remain available on CAP until 31 January 2021. Industry are encouraged to review the [industry advisory](#) dated 12 November which outlines the five principal errors the DITC have noted on the ESNs filed for ESN Year 2019. ESNs which have these errors should be resubmitted as soon as possible.

OUTSOURCE SERVICE PROVIDERS (OSPs)

Industry is reminded that, as outlined in the [industry advisory](#) dated 26 November, the DITC Portal is open for registrations of outsource service providers (OSPs). Please refer to that industry advisory for more details.

Please further note that in order to appear in the drop down on the ES Return, the OSP needs to activate their profile. Please follow the steps in the [User Guide](#) to ensure this process is completed correctly.

DITC PORTAL UPDATE

It is anticipated that the ES Return and the Form for an Entity Tax Resident in Another Jurisdiction (TRO) will be added by the end of this month.

Responsible persons who already have an account on the DITC Portal (for CRS/FATCA reporting) will see their ES entities automatically added to that profile once ES reporting becomes available. Responsible persons who do not already have an account will receive an activation email from no-reply@ditc.ky. Please have your IT Team ensure that the email and the IP address (74.222.80.174) from which activation emails are being sent have not been blocked.

Industry is advised that there will be no bulk upload option for any of the ES filings available at launch.

ES REPORTING DEADLINES

Reporting deadlines for ES have been further extended as outlined below. This extension only applies to this first year.

Period End Date (for purposes of the ES Return)	ES Obligation	Deadline
31 December 2019 - 30 April 2020	ES return (all except IP Business)	30 April 2021
1 May 2020 - onwards	ES returns	12 months after the period end date
31 December 2019 - 29 February 2020	ES Return with Type Income: Relevant Activity - IP Business and TRO	28 February 2021
1 March 2020 - onwards	ES Return with Type Income: Relevant Activity - IP Business and TRO	12 months after the period end date

Please refer to the [DITC's Economic Substance Legislation and Resources](#) for more information.

Questions relating to Economic Substance may be emailed to CaymanESPortal@gov.ky

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