

Notes on Form for Entity Tax Resident in another Jurisdiction

Purpose of the form:

A company, limited liability company or limited liability partnership incorporated or established in the Islands is not regarded as a relevant entity for the purposes of the ES Law if it is tax resident outside the Islands. The Tax Information Authority ("Authority") will regard an entity as tax resident in a jurisdiction other than the Islands if the entity is subject to corporate income tax on all of its income from a relevant activity by virtue of its tax residence, domicile or any other criteria of a similar nature in that other jurisdiction. Additionally, in the event that the entity is a "disregarded entity" for U.S. income tax purposes, and has a U.S. corporation or U.S. individual as its parent, the Authority will consider the entity as tax resident outside of the Islands if satisfactory evidence is provided.

This form is the mechanism to provide the required information and satisfactory evidence to the Authority. All entities which confirmed on the Economic Substance Notification ("ESN") that they are carrying on a relevant activity but selected the "tax resident outside the Islands" option, are required to complete this form.

Purpose of these Notes:

The purpose of these Notes is to provide a high-level overview of the process and data points that will be required on this form in advance of its launch in the DITC Portal. The Authority is aware that this form is new and wanted to communicate the requirements with as much advance notice as possible.

Deadline and process for submission of this form:

This form is required for each financial year that an entity, which would otherwise be in scope to file an ES return, is claiming to be tax resident outside the Islands. In the absence of completing this form and producing satisfactory supporting evidence to the Authority, the entity will be regarded as a relevant entity that is subject to the ES Law. Therefore, this form is due within twelve months after the last day of the end of the financial year.

This form will only be available for submission via the DITC portal. A link to access the DITC portal will be sent, in due course, to the person (either Director or Registered Office ("RO")) who was selected on the ESN as the point of contact for providing this information to the Authority. The link will be sent to the email address that was used by the RO at registration or in the case of a Director, the email address registered on CAP. The Authority recommends that the RO reviews these email details to ensure they are correct and current.

On accessing the DITC portal, there will be an option to add additional secondary users who can assist with completing this filing.

Overview of the data required on this form:

Included below is an overview of the data points required on this form. The data points are those required by the [OECD \(2019\), Substantial Activities in No or Only Nominal Tax Jurisdictions: Guidance for the Spontaneous Exchange of Information, OECD, Paris](#) along with the evidence required by the Authority as mentioned above.

The Authority will review the information provided and once satisfied, will systematically spontaneously exchange the information in accordance with the relevant international standards and scheduled agreements under the Tax Information Authority Law (2017 Revision) with the relevant competent authorities.

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If you have any queries, please email CaymanESPortal@gov.ky