

**MEMO# 31610**

February 13, 2019

## **For Your Review: Korea - Proposed OIV Tax Regime - US RIC Industry Ruling Request - DRAFT**

[31610]

February 13, 2019 TO: ICI Global Tax Committee

Tax Committee RE: For Your Review: Korea - Proposed OIV Tax Regime - US RIC Industry Ruling Request - DRAFT

The attached draft letter, for your review, requests two rulings from Korea about the treatment of US regulated investment companies (RICs) under the 2018 Korean Ministry of Economy and Finance proposal to treat certain overseas investment vehicles (OIVs) as beneficial owners for tax treaty purposes.[\[1\]](#) The letter requests the following two rulings:

- First, that RICs organized in the United States as business trusts, like RICs organized in corporate form, be treated under Korean law as foreign corporations.
- Second, that all RICs be entitled to treaty relief without providing the detailed information regarding investor tax residences (which the industry refers to as “jurisdiction summaries”).

The discussion of the first ruling request explains that investors in all RICs – both legally and practically – have limited liability regardless of organization form. **We request your special attention to the limited liability discussion and welcome suggestions for additional support.**

The letter will include a draft document incorporating the rulings request, which is also attached for your review. **Please send any comments by February 27.** We will discuss this submission at the next tax committee meeting on February 27, 2019.

Katie Sunderland  
Counsel - Tax Law

[Attachment No. 1](#)

[Attachment No. 2](#)

[Attachment No. 3](#)

**endnotes**

[1] See attached ICI letter to Director Jeong Hong Kim, International Tax Division, Korean Ministry of Economy and Finance, dated 26 October 2018, and Institute [Memorandum No. 31336](#), dated August 16, 2018.

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