

MEMO# 25802

January 17, 2012

Draft Letter to Korea on Tax Treaty Eligibility

[25802]

January 17, 2012

TO: TAX COMMITTEE No. 8-12

INTERNATIONAL COMMITTEE No. 2-12 RE: DRAFT LETTER TO KOREA ON TAX TREATY ELIGIBILITY

The Korean Ministry of Finance on January 6 released draft guidance (MOSF Public Notice No. 2012-3) for funds seeking to receive benefits under any applicable treaty with Korea. Specifically, the guidance implements Article 98-6 of the Korean Income Tax Law ("CITL"), which becomes effective on July 1, 2012, and provides treaty-benefit eligibility and documentation requirements for qualifying offshore collective investment vehicles ("OCIVs"). The Ministry has requested comments by January 20.

The attached draft letter requests clarification regarding how the OCIV rules apply to start-up funds and master-feeder fund structures and raises some concerns with the timing for additional guidance (such as the forms that must be filed). Please provide comments to Pinank Desai (pinank.desai@ici.org or 202/326-5876) or me (lawson@ici.org or 202/326-5832) by Thursday, January 19.

Keith Lawson
Senior Counsel - Tax Law

[Attachment](#)