

MEMO# 31371

September 7, 2018

ICI Global Letter to Swiss Government Proposing Procedures by Which US Funds Establish Treaty Eligibility

[31371]

September 7, 2018 TO: ICI Members

ICI Global Tax Committee

Tax Committee SUBJECTS: International/Global

Tax RE: ICI Global Letter to Swiss Government Proposing Procedures by Which US Funds
Establish Treaty Eligibility

ICI Global has been engaged with the Swiss Ministry of Finance to advance additional methods by which US funds taxed as regulated investment companies (RICs) can establish that they are owned by US persons. On June 18, 2018, the Swiss addressed sources for information regarding investors' tax residences, methodologies for calculating treaty relief, and beneficial owner information.[\[1\]](#) The Swiss letter expanded upon the clarifications provided to ICI Global last September[\[2\]](#) and sought to "structure and formalize the process" by which RICs claim treaty relief.

On September 5, 2018, ICI Global sent to the Swiss officials the attached submission that follows up on a few of the points made in the June letter. Specifically, the response recognizes the confirmations and clarifications provided, including that extrapolation is permitted so long as 50% or more of a RIC's shares are held directly and that RICs may utilize information from different sources to determine the tax residence of investors. The response also requests further clarifications regarding the requirement to verify information provided by a broker or intermediary, information to be provided by proxy solicitation firms, sales restrictions, financial statements and prospectuses, and the treatment of trusts, foundations, partnership, estates and joint accounts.

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[Attachment](#)

endnotes

[1] See Institute [Memorandum No. 31251](#), dated June 19, 2018.

[2] See Institute [Memorandum No. 30865](#), dated September 7, 2017.

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