

MEMO# 30865

September 7, 2017

Swiss Government Response to ICI Global Letter on Tax Treaty Relief

[30865]

September 7, 2017 TO: ICI Members
Investment Company Directors

ICI Global Members SUBJECTS: International/GlobalTax RE: Swiss Government Response to
ICI Global Letter on Tax Treaty Relief

ICI Global has been engaged with the Swiss Ministry of Finance for over a year to ensure that US funds taxed as regulated investment companies (RICs) receive Swiss withholding tax relief as provided by the Switzerland-US income tax convention. The Swiss government's views regarding the types of acceptable proof for establishing the percentage of RIC shares held by US persons have recently been revised.

In response to our request for written confirmation of those views,[\[1\]](#) the Swiss Federal Tax Administration (FTA) confirmed in the attached letter the following:

- third-party-collected information (e.g., from a proxy solicitation firm) is acceptable to establish the treaty eligibility of a RIC's investors;
- there is no defined set of relevant criteria for third-party "qualification" and such decisions shall be made on a case-by-case basis with the most important factor being that the method used by the third-party leads to reliable results;
- other forms of proof methods include sales restrictions, as well as the full disclosure of the names and addresses of investors; and
- the FTA is examining whether, and under what conditions, pooled percentage certifications of the qualifying investors issued by intermediaries and provided to RICs may be acceptable.

Finally, the FTA noted that if a claim remains outstanding and all necessary information has been provided within the applicable statute of limitation that nothing needs to be done and that such RICs may simply await payment. Rejected claims may be refiled no later than five years after rejection by the FTA.

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[Attachment](#)

endnotes

[1] For a copy of the ICI Global Letter to Swiss Government on Tax Treaty Relief, see Institute Memorandum No. 30809 *available* at https://www.ici.org/my_ici/memorandum/memo30809.

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