

**MEMO# 16656**

October 14, 2003

## **INSTITUTE SUPPLEMENTAL SUBMISSION TO JAPANESE AUTHORITIES REGARDING TAX TREATMENT OF OFFSHORE FUNDS**

[16656] October 14, 2003 TO: TAX MEMBERS No. 55-03 INTERNATIONAL MEMBERS No. 35-03 INTERNATIONAL OPERATIONS ADVISORY COMMITTEE No. 41-03 RE: INSTITUTE SUPPLEMENTAL SUBMISSION TO JAPANESE AUTHORITIES REGARDING TAX TREATMENT OF OFFSHORE FUNDS The Institute has submitted the attached memorandum to officials at Japan's Ministry of Finance, Financial Services Agency, and National Tax Agency.<sup>1</sup> The memorandum provides additional support for the Institute's position that the redemption of shares in a U.S.-registered fund should be treated for Japanese tax purposes as the sale of a listed security, and therefore subject to a 10% tax rate beginning January 1, 2004. David Orlin Assistant Counsel Note: Not all recipients receive the attachments. To obtain copies of the attachments, please visit our members website (<http://members.ici.org>) and search for memo 16656, or call the ICI Library at (202) 326-8304 and request the attachments for memo 16656. Attachment no. 1 (in .pdf format) <sup>1</sup> This memorandum supplements the Institute's letter of October 6, 2003. See Institute Memorandum to International Members No. 34-03, International Operations Advisory Committee No. 40-03, and Tax Members No. 54-03 (16625), dated October 9, 2003.

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