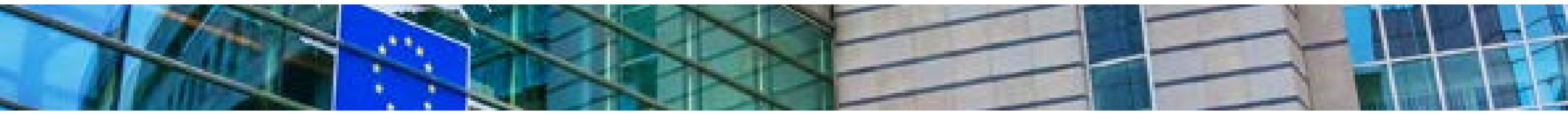

Further to our previous newsletter issued on this matter on the 16th of February, we present a concise update on the European Union (EU) List of Non-Cooperative Jurisdictions for tax purposes. The recent adjustments to the European Union (EU) List of Non-Cooperative Jurisdictions is one such significant development, and we're here to help you navigate it.

# 1. Jurisdictions Key Changes to the EU's List

The Council has taken action to further refine the EU's list of non-cooperative jurisdictions for tax purposes:

**New Additions:**
- Antigua and Barbuda
- Belize
- Seychelles

**Jurisdictions Removed:**
- British Virgin Islands
- Costa Rica
- Marshall Islands

**With the above revisions, the EU list now encompasses the following 16 jurisdictions:**

| ***Listed: these countries do not cooperate with the EU or have not fully met their commitments*** | | | |
|---|---|---|---|
| 1. | American Samoa | 9. | Panama |
| 2. | Antigua and Barbuda | 10. | Russia |
| 3. | Anguilla | 11. | Samoa |
| 4. | Bahamas | 12. | Seychelles |
| 5. | Belize | 13. | Trinidad and Tobago |
| 6. | Fiji | 14. | Turks and Caicos Islands |
| 7. | Guam | 15. | US Virgin Islands |
| 8. | Palau | 16. | Vanuatu |

The list becomes official upon publication in the Official Journal of the EU. The jurisdictions included in the list, the timeline, and updates can be found on the following links:

*LINK 1 from consilium.europa.eu*
*LINK 2 from consilium.europa.eu*

## 2. What led to these changes?

This list, including countries, either not positively engaging with the EU on tax governance or failing to meet their commitments, is developed with the intent to ensure compliance with the objective tax good governance criteria. The criteria involve tax transparency, fair taxation, and adherence to international standards geared towards preventing base erosion and profit shifting.

***Antigua and Barbuda, Belize, and Seychelles*** were added due to deficiencies concerning tax information exchange on request (criterion 1.2).

***British Virgin Islands*** was removed post amending its framework related to the exchange of information on request (criterion 1.2). However, it will undergo further evaluation per the OECD standard and is temporarily listed in Annex II.

***Costa Rica*** was removed after amending the undesirable elements of its foreign source income exemption regime (criterion 2.1).

***Marshall Islands*** was delisted after showing marked advancement in the implementation of economic substance requirements (criterion 2.2).

## 3. “State of Play” Document (Annex II)

The Council ratified the “State of Play” document (Annex II). This document shows the EU’s continued work with international partners and these countries’ promises to improve their tax policies to meet good tax practices.

Key updates to Annex II include:

- **Jordan and Qatar:** Successfully met their commitments by amending a previously harmful tax regime.
- **Montserrat and Thailand:** Have met all their outstanding commitments related to country-by-country tax reporting.

## 4. Final Thoughts

International tax updates pose both challenges and opportunities. Our goal is to keep clients informed and help them navigate these changes effectively. For those dealing with the affected jurisdictions, understanding these shifts is essential to avoid tax implications. Regular reviews of business activities in these areas are crucial for risk management.

The EU will continue its reviews, with the next revision scheduled for February 2024.

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