

**Partnership and LLC
Income Tax Return**

**Economic Substance Insert
Fund Management Relevant
Sector**

Income Tax Division
Government Office, Douglas
Isle of Man, British Isles
IM1 3TX

Telephone (01624) 685400
Email incometax@gov.im
Website www.gov.im/incometax

Name:

Tax Reference Number:

Accounting Period End:

IMPORTANT INFORMATION

This Economic Substance insert is required to be completed if the relevant partnership is resident in the Isle of Man for substance purposes, has gross income from the relevant sector stated at the top of the page during the accounting period covered by the income tax return **and** the partnership has not claimed a specific exemption under Sections 80D (2A) and 80D (4) of the income Tax Act 1970 on its income tax return.

For the purposes of this form, 'relevant partnership' takes the definition detailed in Section 80B of the Income Tax Act 1970 and includes general partnerships, limited partnerships, limited liability companies (LLCs) and foreign partnerships. All references to partnership in the questions on this form include LLCs.

Please refer to the 'Joint Guidance on the Application of Rule to Partnerships' on the Economic Substance page of our website for information about the Economic Substance Requirements. Please refer to Guidance Note GN61 'Partnerships & Limited Liability Companies Return Form Guide 2022/23' on the Guidance Notes page of our website for further information about the questions asked on this form and the responses required.

Important: This insert is an integral part of the relevant partnership's income tax return so all mandatory fields marked * must be completed. If any are not completed, the return will not be accepted because it is incomplete.

ECONOMIC SUBSTANCE – GROSS INCOME

1.1 Please state the gross income received from activity in the fund management relevant sector during the accounting period: *

If the partnership was a self-managed scheme (SMS) for the period, please tick this box
(a gross income figure is not required for a SMS)

ECONOMIC SUBSTANCE – PLACE OF EFFECTIVE MANAGEMENT

1.2 Have the Governing Body met in the IOM during the accounting period at an adequate frequency given the level of decision making required, and were there a majority of relevant persons physically present in the Island at those meetings? *

1.3 How many of these meetings were held during the accounting period? *

1.4 Please confirm if the following statements are true: *

The strategic decisions are taken by the Governing Body at the meetings held in the Isle of Man during the accounting period

The Governing Body have the necessary knowledge and expertise to discharge their duties

The minutes reflect the strategic decisions taken at the meetings in the Island and are kept in the Isle of Man along with all the other relevant records

ECONOMIC SUBSTANCE – FUND MANAGEMENT

2.1 Please confirm which, if any, of the following Core Income Generating Activities (CIGA) were conducted in the Isle of Man during the accounting period

Taking decisions on the holding and selling of investments

Calculating risks and reserves

Taking decisions on currency or interest fluctuations and hedging positions

Preparing relevant regulatory or other reports for government authorities and investors

Other

Description of 'Other' CIGA:

2.2 Were any of the above CIGA outsourced to a service provider in the Isle of Man during the accounting period? *

Yes / No

2.2.1 Name(s) of Service Provider

2.2.2 Details of CIGA outsourced

(Continue on a separate sheet if necessary)

2.2.3 Expenditure incurred on outsourcing of CIGA *(including decimals if applicable)*

£

2.3 Were any CIGA conducted outside of the Isle of Man during the accounting period?*

(If yes, please attach details of the CIGA conducted outside the Island)

Yes / No

ECONOMIC SUBSTANCE – PHYSICAL PRESENCE, EMPLOYEES & EXPENDITURE

3.1 Please confirm below the address, if any, of any premises/offices in the Isle of Man:

(If no premises, state 'no premises')

3.2 Please confirm the number of full time equivalent (FTE) employees or individual partners, if any, who have worked for the relevant partnership in the Isle of Man during the accounting period *

FTE Employees – Own

FTE Employees – Outsourced

(FTE Number can be to 2 decimal places)

3.3 Please confirm the tax reference number where any ITIP/NI payments have been made to the Income Tax Division *(If not known, leave blank)*

3.4 Please confirm the amount of operating expenditure incurred during the accounting period * *(Enter the amount to the nearest whole number)*

ECONOMIC SUBSTANCE – ADDITIONAL INFORMATION

4.1 Please state the Net Book Value (NBV) of tangible assets at the end of the accounting period* *(Enter the amount to the nearest whole number)*

£

4.2 The relevant partnership is a High Risk IP Entity and wishes to rebut the statutory presumption that it fails to have adequate substance in the Isle of Man

Yes/No

(If the company is not a High Risk IP Entity, please leave blank)

4.3 In the opinion of the Governing Body, based on the details provided in and with the income tax return, the relevant partnership has adequate substance in the Island for the accounting period*

Yes/No

SUPPORTING INFORMATION REQUIRED

The following additional information should be provided with this form and the income tax return:

- A copy of the financial statements for the accounting period, including applicable reports and all notes pages
- Confirmation of the basis of the calculation of the number of FTE qualified employees or individual partners for the partnership itself and of any service provider undertaking outsourced CIGA, the nature of the engagement (employee, contactor etc.) and the qualifications taken into account.
- Additional information to demonstrate the adequate supervision measures in place between the partnership and any service provider undertaking outsourced CIGA, and that the outsourced CIGA is conducted in the Island.
- If the partnership has no premises in the Island, the nature of its physical presence in the Island and why that considered to be adequate in relation to its activities
- Any other information that the partnership considers to be material in determining that it had adequate substance in the Island for the accounting period (e.g. why the Governing Body have concluded that the partnership is an IP Entity not a High Risk IP Entity, why some meetings were held outside the Island, why any activities carried on outside the Island are not CIGA, etc.)
- If a High Risk IP Entity wishes to rebut the presumption that the economic substance requirement is not met, the information required by Section 80G(1A) of the Income Tax Act 1970 must also be attached to the income tax return when it is submitted.

DECLARATION

I declare that the particulars shown on this form are, to the best of my knowledge and belief, true and correct in every detail.

Name:

| | |
|----------------------|---------------------------------|
| <input type="text"/> | Partner/Registered Agent/Member |
|----------------------|---------------------------------|

Signature:

Date:

| | |
|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> |
|----------------------|----------------------|

USE OF DATA NOTICE

Privacy Notice: To find out more about how we collect and use personal information, contact our office or visit our website at: www.gov.im/treasuryprivacynotice We will send you a paper copy if you telephone us or write to us using the contact details provided on this form.