



# The Treasury

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## NEWS RELEASE

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### **ISLE OF MAN SIGNS TAX CO-OPERATION AGREEMENT WITH FRANCE**

#### **Signing of 12<sup>th</sup> TIEA with OECD countries places the Isle of Man at the forefront of tax co-operation**

The Isle of Man today signs a Tax Information Exchange Agreement (TIEA) with France. The agreement between the two governments is the 14<sup>th</sup> TIEA the Isle of Man has signed, the 12<sup>th</sup> with an OECD member country. This latest agreement, signed 7 years after the Island signed its first TIEA with the USA, demonstrates the Isle of Man's long standing commitment to tax transparency and effective exchange of information. The Island has signed over a quarter of the 51 TIEAs in existence globally.

The signing ceremony takes place today in Douglas between Allan Bell MHK, the Isle of Man's Treasury Minister, and Eric Woerth, French Secretary of State for the Budget, Public Accounts and Civil Service.

TIEAs deliver the OECD's agreed international standard on tax transparency and exchange of information. The Isle of Man was one of the first nations to make a clear commitment to OECD standards on tax co-operation in 2000 and was recognised by the OECD as a 'committed jurisdiction' in 2001.

Minister Bell said: 'We are delighted to announce the signing of our 14<sup>th</sup> TIEA, a significant milestone in our ongoing commitment to international tax co-operation. For nine years the Isle of Man Government has been dedicated to achieving OECD

standards, and this latest TIEA is part of our continuing work and mutual co-operation with not only France, but all other countries we have agreements with.'

The Island signed its first TIEA with the US in 2002 and has maintained momentum since then by developing and signing ground-breaking deals with other nations aimed at producing benefits for both countries involved (table below).

Minister Bell commented: 'In addition to our agreement with France and the recent one with Germany, we are at advanced stages of negotiation with several other countries and will continue to strive for effective co-operation based on agreed international standards by developing, signing and ratifying further TIEAs.'

Also signed at the ceremony was an agreement for the avoidance of double taxation with respect to enterprises operating ships in international traffic. This builds the Isle of Man's network of shipping taxation agreements, and will further enhance opportunities for the Island's highly regarded shipping sector.

The texts of each agreement can be viewed on the International Agreements page of the Isle of Man Treasury Income Tax Division's website at:

<http://www.gov.im/treasury/incometax/sections/practitioners/internationalagreements.xml>

#### **Isle of Man's 14 TIEAs**

<b>Country</b>	<b>TIEA signing date</b>
US	03-Oct-02
Netherlands	12-Oct-05
Sweden	30-Oct-07
Norway	30-Oct-07
Finland	30-Oct-07
Denmark	30-Oct-07
Greenland	30-Oct-07
Faroes	30-Oct-07
Iceland	30-Oct-07
Ireland	24-Apr-08
UK	29-Sept-08
Australia	29-Jan-09
Germany	02-Mar-09
France	26-Mar-09

## Notes

### THE ISLE OF MAN

The Isle of Man was one of the first international financial services centres to make a commitment, in 2000, to work with the OECD in the tax co-operation field. It took a key role in the development of the OECD 'model agreement on exchange of information on tax matters'. A tax information exchange agreement was concluded with the United States of America in October 2002.

In October 2005 the Isle of Man broke new ground by signing bilateral agreements with the Netherlands based on mutual economic benefit and co-operation. The deal - the first of its kind between an international financial services centre and an OECD member – was negotiated within the context of the OECD programme to develop a global network of tax co-operation and information exchange.

In October 2007 the Isle of Man again proved its increasing strength in the international sphere by signing 28 bilateral taxation agreements: four with each of the seven countries of the Nordic Council (Denmark, the Faroe Islands, Finland, Greenland, Iceland, Norway and Sweden).

Two further agreements were signed with Ireland in April 2008.

New tax agreements between the Isle of Man and the United Kingdom were signed in September 2008.

The Isle of Man signed tax co-operation agreements with Australia in February 2009 and Germany in March 2009.

The Isle of Man (population 80,000) is in the middle of the Irish Sea at the centre of the British Isles. It is a self-governing British Crown Dependency with its own parliament, government and laws.

The Isle of Man is not part of the European Union, and not part of the United Kingdom. However, the British Queen is its head of state and the United Kingdom Government is ultimately responsible for its international relations.

The Isle of Man has had one of the fastest growing economies in Europe in recent years, led by its international financial services sector.

A number of external bodies, including the International Monetary Fund, have confirmed that the Island's defences against money laundering comply with the highest global standards, and that it co-operates fully in combating international financial crime.

Recent growth areas of the Isle of Man economy include e-commerce, the film industry, international shipping, and space and satellite business, while traditional sectors like tourism (and the famous TT motorcycle races), manufacturing and agriculture are still important.

Growth in the economy has been matched by investment in public services, funded by direct and indirect taxation. The Island is self-financing.