



## Isle of Man Government

*Reiltys Ellan Vannin*

### From The Chief Minister

Veih'n Ard-Shirveishagh

**Hon A R Bell MHK**

Chief Minister's Office

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The Rt. Hon David Cameron MP  
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Dear Prime Minister

The Isle of Man has a long-established policy of complying with agreed international tax standards, and has been prepared to break new ground as an international business centre on a number of occasions. I have followed with interest recent developments in the European Union, the OECD and G20, as preparations are made for the G8 Summit, in relation to the development of a new global standard on exchange of tax information and matters relating to transparency and beneficial ownership.

The Isle of Man Government welcomes the development of a new global standard on automatic information exchange and intends to engage fully with the EU pilot project to develop a form of multilateral tax information exchange based on the model FATCA intergovernmental agreement being developed with the USA by the UK, France, Germany, Italy, Spain and which other EU Member States have agreed to support. Having a single global compliance standard will lead to far greater tax transparency, while minimising costs for business and government.

The Isle of Man also welcomes the announcement in the communiqué issued by G20 Finance Ministers on 19 April that the OECD, working with G20 countries, will, *"report back on the progress in developing of a new multilateral standard on automatic exchange of information, taking into account country-specific characteristics"*. As many more countries than those in the OECD and G20 apply international tax standards, it is important that countries from outside those organisations are invited to take part in this vital work. The Isle of Man pledges its willingness to become involved in the technical work on developing the new standard.

The communiqué of 19 April also highlighted the G20's support for *"FATF work, notably the identification and monitoring of high-risk jurisdictions with strategic AML/CFT deficiencies"* adding that *"we must tackle the risks raised by opacity of legal persons and legal arrangements, and encourage all countries to take measures to ensure they meet the FATF standards regarding the identification of the beneficial owners of legal persons, other corporate vehicles and trusts, that is also relevant for tax purposes"*.

The Isle of Man is committed to complying with FATF standards on AML/CFT. Establishing the ultimate beneficial ownership behind all account and business relationships conducted by financial intermediaries in the Isle of Man is a mandatory legal requirement backed by onsite regulatory supervision in order to ensure compliance. The Isle of Man is committed to remaining at the forefront of jurisdictions in this regard.

The Isle of Man must ensure that we maintain the confidence of the UK and international community in our government and regulators: not only in meeting agreed international standards, but in supporting and participating in the ongoing development of those standards. This is tempered by the need to maintain and support business confidence in the stability of our platform for economic growth. As in the UK, we have a strong financial services industry with an international outlook which we need to ensure is free from overly burdensome regulation, but is of the highest quality and meets international standards.

Through our engagement in the process, we will continue to demonstrate to the UK and to the international community that the Isle of Man plays its part in delivering modern global standards of cooperation and transparency.

As part of moving forward with this initiative, the Isle of Man Government would welcome engagement on opportunities to build trade and provide mutual economic benefit.

I am copying this letter to George Osborne MP, Chancellor of the Exchequer and to David Gauke MP, Exchequer Secretary.

Best wishes

A handwritten signature in black ink, appearing to read 'Allan Bell', with a stylized flourish at the end.

Allan Bell  
Chief Minister