

Seychelles

Seychelles has met all aspects of the terms of reference (OECD, 2017^[3]) (ToR) for the calendar year 2019 (year in review) and no recommendations are made.

Seychelles can legally issue five types of rulings within the scope of the transparency framework. In practice, Seychelles issued no rulings within the scope of the transparency framework. During the year in review, Seychelles only provided general decisions, which are not binding on the tax administration.

As no exchanges were required to take place, no peer input was received in respect of the exchanges of information on rulings received from Seychelles.

A. The information gathering process

966. Seychelles can legally issue the following five types of rulings within the scope of the transparency framework: (i) preferential regimes;¹ (ii) cross-border unilateral APAs and any other cross-border unilateral tax rulings (such as an advance tax ruling) covering transfer pricing or the application of transfer pricing principles; (iii) rulings providing for unilateral downward adjustments; (iv) permanent establishment rulings; and (v) related party conduit rulings.

967. For Seychelles, past rulings are any tax rulings within scope that are issued either: (i) on or after 1 January 2015 but before 1 April 2017; or (ii) on or after 1 January 2012 but before 1 January 2015, provided they were still in effect as at 1 January 2015. Future rulings are any tax rulings within scope that are issued on or after 1 April 2017.

968. In the prior years' peer review reports, it was determined that Seychelles' undertakings to identify past and future rulings and all potential exchange jurisdictions were sufficient to meet the minimum standard. In addition, it was determined that Seychelles' review and supervision mechanism was sufficient to meet the minimum standard. Seychelles' implementation remains unchanged, and therefore continues to meet the minimum standard. It is noted that the Seychelles Revenue Commission (SRC) is continuing to develop a new form to request a private ruling to capture all the needed information. Until that takes place, Seychelles would continue to use its information gathering powers under the Revenue Administration Act to obtain information on all potential exchange jurisdictions.

969. Seychelles has met all of the ToR for the information gathering process and no recommendations are made.

B. The exchange of information

970. In the prior years' peer review reports, it was determined that Seychelles' process for the completion and exchange of templates were sufficient to meet the minimum standard. With respect to past rulings, no action was required. Seychelles' implementation in this regard remains unchanged and therefore continues to meet the minimum standard.

971. Seychelles has international agreements permitting spontaneous exchange of information, including being a party to the (i) *Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol* (OECD/Council of Europe, 2011^[4]) ("the Convention") and (ii) bilateral agreements in force with 28 jurisdictions.²

972. As Seychelles did not issue any past or future rulings in scope of Action 5 in the relevant periods, Seychelles did not exchange any information on rulings in the year in review and no data on the timeliness of exchanges can be reported.

973. Seychelles has the necessary legal basis for spontaneous exchange of information. Seychelles has met all of the ToR for the exchange of information process and no recommendations are made.

C. Statistics (ToR IV)

974. As no rulings were issued, no statistics can be reported.

D. Matters related to intellectual property regimes (ToR I.4.1.3)

975. Seychelles offered three intellectual property regimes (IP regime)³ that were abolished as of 1 January 2019 and not subject to the transparency requirements under the Action 5 Report (OECD, 2015^[1]), because:

- **New entrants benefitting from the grandfathered IP regime:** the IP regimes have been abolished without grandfathering for taxpayers entering after the relevant date from which enhanced transparency obligations apply. As such, no enhanced transparency requirements apply.
- **Third category of IP assets:** not applicable as the IP regimes have been abolished.
- **Taxpayers making use of the option to treat the nexus ratio as a rebuttable presumption:** not applicable as the IP regimes have been abolished.

Summary of recommendations on implementation of the transparency framework

Aspect of implementation of the transparency framework that should be improved	Recommendation for improvement
	No recommendations are made.

References

- OECD (2017), *BEPS Action 5 on Harmful Tax Practices - Terms of Reference and Methodology for the Conduct of the Peer Reviews of the Action 5 Transparency Framework*, OECD Publishing, Paris, <http://www.oecd.org/tax/beps/beps-action-5-harmful-tax-practices-peer-review-transparency-framework.pdf>. [3]
- OECD (2015), *Countering Harmful Tax Practices More Effectively, Taking into Account Transparency and Substance, Action 5 - 2015 Final Report*, OECD/G20 Base Erosion and Profit Shifting Project, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264241190-en>. [1]
- OECD/Council of Europe (2011), *The Multilateral Convention on Mutual Administrative Assistance in Tax Matters: Amended by the 2010 Protocol*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/9789264115606-en>. [4]

Notes

¹ With respect to the following preferential regimes: 1) International business companies, 2) Companies special license, 3) International trade zone licensees, 4) Offshore banking, 5) Non domestic insurance business, 6) Fund administration business, 7) Securities business under the securities act and 8) Reinsurance business.

² Parties to the Convention are available here: www.oecd.org/tax/exchange-of-tax-information/convention-on-mutual-administrative-assistance-in-tax-matters.htm. Seychelles also has bilateral agreements with Bahrain, Barbados, Belgium, Bermuda, Botswana, China (People's Republic of), Cyprus, Ethiopia, Guernsey, Indonesia, Isle of Man, Jersey, Kenya, Luxembourg, Malaysia, Mauritius, Monaco, Oman,

Qatar, San Marino, Singapore, South Africa, Sri Lanka, Swaziland, Thailand, United Arab Emirates, Viet Nam and Zambia.

³ These regimes are: 1) International business companies; 2) Companies special license; and 3) International trade zone.



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