

AS TABLED IN THE HOUSE OF ASSEMBLY

A BILL

entitled

INTERNATIONAL COOPERATION (TAX INFORMATION EXCHANGE  
AGREEMENTS) AMENDMENT ACT 2015

WHEREAS it is expedient to amend the International Cooperation (Tax Information Exchange Agreements) Act 2005;

Be it enacted by The Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:

Citation

1 This Act, which amends the International Cooperation (Tax Information Exchange Agreements) Act 2005 (the "principal Act"), may be cited as the International Cooperation (Tax Information Exchange Agreements) Amendment Act 2015.

Inserts section 4A

2 The principal Act is amended by inserting after section 4 the following—

“Automatic exchange of information

4A (1) Pursuant to an agreement for the automatic exchange of information, a person is hereby required to comply with the terms and conditions of that agreement and that person shall comply with the terms and conditions thereof.

(2) Sections 4, 5 and 10 do not apply in relation to the automatic exchange of information.”.

Amends section 8

3 Section 8 of the principal Act is repealed and the following is substituted—

“Forwarding information to requesting party

8 Where the Minister obtains any information pursuant to a production order made under section 5, obtains any information under section 6A or obtains any information under the provisions for the automatic exchange of information in an agreement—

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- (a) he shall keep it confidential; and
- (b) he may—
  - (i) in the case of information obtained under such production order, provide it to the requesting party; or
  - (ii) in the case of information obtained by the automatic exchange of information, provide it to the automatic exchange of information party.”.

Amends section 9

4 Section 9 of the principal Act is amended—

- (a) in subsection (1), by inserting the following after paragraph (a)—
  - “(aa) fails, without reasonable excuse, to comply with section 4A(1);”;
- (b) in subsection (2); by inserting after the word “information” where it first appears the words “pursuant to section 4A(1) or”;
- (c) in subsection (3); by inserting after the word “delivered” the words “pursuant to section 4A(1) or”.

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EXPLANATORY MEMORANDUM

This Bill seeks to amend the International Cooperation (Tax Information Exchange Agreements) Act 2005 (the "Act") to enhance Bermuda's régime for the exchange of information and, in particular, with respect to arrangements for the automatic exchange of information.

Clause 1 provides the title of the Bill.

Clause 2 inserts a new section 4A in the Act to specifically refer to agreements for the automatic exchange of information, and to impose a statutory duty to comply with such agreements.

Clause 3 repeals and replaces section 8 of the Act to apply the section in relation to the automatic exchange of information.

Clause 4 amends section 9 of the Act to provide a penalty for non-compliance with section 4A(1).