



Compliance with International Tax Standards

Prime Minister Ingraham revealed in Parliament today that The Bahamas has completed technical agreements relative to Tax Information Exchange Agreements with eight countries. Currently, The Bahamas has such agreements with the United States, Monaco and San Marino.

The Prime Minister's remarks came during debate on the Government's Bill to amend the Criminal Justice International Co-operation Act (CJICA).

Commitment to Compliance & Transparency

The CJICA, brought into force in 2000, enabled The Bahamas to co-operate, through judicial channels, in the provision of criminal evidence with other jurisdictions and, along with the Evidence (Proceedings in Other Jurisdictions) Act, brought into effect under Bahamian law The United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (the Vienna Convention). It provided for the mutual provision of evidence. That is, for the obtaining of overseas evidence in criminal matters for use in The Bahamas, on the one hand, and for the obtaining of Bahamian evidence in criminal matters for use overseas, on the other. The Act, however, reserved cooperation for purely fiscal offences to relevant tax treaties to which The Bahamas may be a party. The Act has been cited as one of the most important tools that The Bahamas has available in its arsenal in the global fight against money laundering, narcotics trafficking and the financing of terrorism.

The 2009 amendment, now passed by Parliament, removes the prohibition against providing assistance in criminal tax matters to countries with which The Bahamas does not have a treaty to provide mutual legal assistance.

During the Parliamentary Session, Attorney General the Hon. Brent Symonette spoke to the effect of the amendment, pointing out that the change to the law of The Bahamas is in line with "*prevailing international standards*." He noted the shift from the "*traditional approach towards the assistance in the collection of taxes*". In common law countries, the general principle of international tax law has been that

a country was not obligated to assist another country in the collection and enforcement of its taxes – a principle, he said, from which countries would appear to be moving away.

On the additional TIEAs, Mr. Ingraham advised Parliament that the Government expects to be in a position to begin signing more TIEAs during the last week of October, and continuing to the end of the year. However, he said, *“We are not yet in a position to publicly disclose the names of the countries that we have concluded technical agreements with, because they too, have their own internal processes that they must go through in order to conclude formal TIEAs.”* The Government previously announced its intention to conclude negotiations on sufficient agreements by the end of the year, and to be fully compliant with the OECD standard.

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