



GOVERNMENT OF THE BAHAMAS

Press Release

Expansion of The Bahamas' Tax Cooperation Network

The Minister of State for Finance
Hon. Zhivargo Laing
29th July 2009

In recent months, the world's leading financial centres have made significant progress toward broader application of the standards for transparency and information exchange in tax matters, which were developed by the Organisation for Economic Cooperation and Development (OECD). The standards have also been adopted by the United Nations and have the full support of the G-20 Group of Nations.

All significant financial centres that were formerly opposed have now declared their commitment to the internationally agreed standards, and are all engaged in implementing the standards to accommodate the sharing of tax information.

In March 2009, the Right Honourable Prime Minister announced in Parliament that, in light of the progress made toward the implementation of a "level-playing field" among financial centres, the Government of The Bahamas intended, as a matter of priority, to enter into negotiations to conclude appropriate arrangements to meet the global standards for tax information exchange.

Further to that pronouncement, the Government of the Bahamas advises that negotiations have commenced with Canada, the United Kingdom, Australia, Spain, Germany, France, Turkey, and the Nordic countries (Norway, Sweden, Finland, Denmark, Iceland, Greenland and the Faroe

Islands) for Tax Information Exchange Agreements (TIEAs). It is the intention of The Bahamas to conclude negotiations on these Agreements by the end of this year.

Additionally, the Government has initiated discussions for an agreement on tax information exchange with the People's Republic of China, and proposes to initiate discussions with Mexico, Brazil, Japan, Ireland, South Africa and India.

In addition to a new legislative framework to support the expanded network of tax information exchange arrangements, it is proposed that the Criminal Justice (International Cooperation) Act will be amended to enable cooperation with all countries in relation to tax offences.

The Government is confident that these activities will allow The Bahamas to meet the Exchange of Information standards that have been set by both the G-20 and the OECD on the shortest possible timetable and within the given timeframes, while avoiding any potential adverse listing.

Ministry of Finance

Cecil-Wallace Whitfield Bldg.
P. O. Box N-3017
Cable Beach
Nassau, Bahamas
Tel.: (242) 327-1530
Fax: (242) 327-1618

Contact:

Mr. Ehurd Cunningham
Financial Secretary