

Offshore/Withholding Taxes

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For Individual Investors and Juristic Investors without Tax Exemptions					
Country	Withholding Tax (WHT) Applied to Payment				
	Dividend	Government Interest	Corporate Interest	Stock Dividend	Capital Gains
Canada	25%	0%	0%	25%	0%
France	25%	0% (1)	0% /50% (1)	Not applicable	0%
Germany	26.375%	0%	0% (2)	Not applicable	0%
Hong Kong	0% (3)	0%	0%	0% (3)	0%
Japan	15.315% (4)	0% (5)	15.315% (6)	15.315% (4)	0% (7)
Malaysia	0%	0%	0% (8)	0%	0%
Singapore	0%	0% (9)	0% (9)	0%	0%
UK	0%	0%	0%	0%	0%
U.S.A.	0-37%*	0%	0%	0%	0%
Indonesia	20% (11)	20%	20%	20% (11)	0.1% (12)
Italy	26%	0%	26%	Not applicable	12.5% (13)
Australia	0% / 30% (16)	10%	10%	0% / 30% (16)	0% (17)
Luxemburg	15%	0%	0%	0%	0%
Netherlands	15%	0%	0%	0% (14)	0%
Switzerland	35%	35%	35%	35%	0%
Greece	10%	0%	0%	Not applicable	0%
Sweden	30%	0%	0%	Not applicable	0%
Denmark	27%	0%	0%	Not applicable	0%

Notes:

- (1) Provided a certificate of non-resident is supplied, exemption is applied at source. Otherwise the statutory applying to interest on corporate and government bonds issued in Euro is 50%. Interest derived from short- and medium-term notes is unconditionally exempt from the 50% WHT
- (2) Interest paid on profit participation bonds and convertible bonds is taxed at 26.375%.
- (3) Certain "red chip" entities are subject to 10% WHT on dividend payment
- (4) For unlisted securities, a standard tax rate of 20% applies
- (5) The exempt rates assume securities are held within Furikestu system and the relevant consent letter has been provided as a qualified Intermediary, otherwise the 15% WHT will be applied
- (6) Japanese Eurobonds, Domingo and Samurai bonds are tax exempt. Shogun bonds are taxed at 15.315%
- (7) In general, there is no CGT for securities trades. However, capital gains derives by a non resident recipients may be taxed in Japan if:
- 7.1 Shares held or owned amount to 25% of the entire share capital of such company at anytime of taxable year
- 7.2 The total of shares sold during the taxable year amount to at least 5% of the entire share capital of such company
- (8) Interest or discount other than convertible loan stock, approved by securities commission is specifically exempted from WHT. If the debt is not approved by the securities commission then WHT would be levied at the rate of 15%
- (9) Interest paid to non-resident investors from "qualifying debt securities" is exempted from WHT until 31 Dec 2013
- Interest income received from non QDS will be subject to withholding at the domestic rate of 15%. QDS includes:
- Interest bearing government securities
 - Debts securities with the tenure of least 10 years
 - Islamic bonds (or sukuks) subject to the condition that any amount payable by the issuer to the investor of the bonds is not deductible against income being accrued in or derived from Singapore by the issuer providing the proceeds from the issuance are used outside Singapore
- (10) Foreign currency denominated bonds issued by foreign companies are exempt from withholding tax
- (11) Non-residents investor may benefit from a reduced WHT rate on dividend of 10% on dividend distributed by specific companies (In the food, textile, pulp, chemical and rubber industries) based in specific locations.
- (12) For Unlisted securities the WHT will be levied at the rate of 5%

(13) Capital gains - the standard tax rate is 27% where the percentage holding of the stock is 2% or more.

(14) Interest on bonds denominated in foreign currency and issued by the government, local government bodies or domestic corporation are subject to 0% WHT

(15) Capital gain tax is only applicable on equities when the sale is for more than 25% of the share issued.

The CGT payable will be the lower of 11% of the gross proceeds or 22% of the capital gain

(16) In practical terms two distributions are made; one franked dividend and one unfranked dividend.

Franked dividends are tax exempt whereas unfranked dividend is subject to 30% withholding tax.

(17) Capital Gain - Non-residents of Australia are subject to tax on capital gains only in respect of gains made on the disposal of "taxable Australian property"

(18) Most stock dividends are paid out of the premium reserve, which is exempt from withholding tax. Stock dividends paid out of the general reserve are subject to the standard 15% withholding rate.

*U.S. Dividend Withholding Tax Rate will be reduced to 15% when client applies Relief at Source Service (RAS) (Note: The reduction of Tax Rate depends on each security)

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