

Alert

Bermuda Removed from EU 'Blacklist'

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The European Union has removed Bermuda from Annex 1 of its list of non-cooperative jurisdictions for tax purposes (the 'blacklist'), effective 17 May.

The EU's Economic and Financial Affairs Council (ECOFIN) met on 17 May and voted to remove Bermuda from its blacklist of non-cooperative jurisdictions for tax purposes. Bermuda was unexpectedly placed on the list in March, despite the enactment of the *Economic Substance Act 2018* and the *Economic Substance Regulations 2018*, which the Bermuda Government believed satisfied the EU's requirements with regard to the introduction of an economic substance regime. A typographical error in economic substance documents submitted to the EU was understood to be the reason the island ended up on the list.

Economic substance legislation is in force in all three Conyers jurisdictions – Bermuda, the BVI and Cayman. Our attorneys are ready to assist clients in understanding their obligations under the legislation and in implementing any changes to their business model that may be required. Please contact your usual Conyers lawyer for advice.

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