

# Issuance of cross-border debt into foreign domestic markets compliant with Belgium's X/N tax regime

Yankees • Samurais • Maples • Kangaroos • Dim Sums • CP • MTNs

In recent times we have seen a significant rise in the number of bonds issued by Belgian corporate entities. Most of these securities are structured to target Belgian retail investors. However, Belgian tax laws do provide domestic companies with **a framework that allows them to raise capital from large foreign domestic markets** like the U.S., Japan, Canada, Australia and the rapidly growing RMB market.

Belgian tax law requires the daily collection of information about investors in Belgian debt instruments distributed and held via foreign clearing systems. However, **many domestic clearing systems are not set up to track the beneficial ownership of securities** deposited through them and do not have the capacity to create their own Belgian tax compliance infrastructure.

The Acupay System – a global integrated tax compliance network for securities – fills this gap by **building a bridge between foreign domestic markets and the National Bank of Belgium's SSS X/N system**.

The tax arrangements and systems put in place by Acupay allow Belgian issuers to tap a large pool of investors (institutional and retail) by allowing eligible foreign investors to **receive their interest payments exempt from Belgian withholding tax**. Consequently, the increase in withholding tax from 21% to 25% since 1 January 2013 has no commercial impact on eligible foreign investors. Importantly, there is only a **minimal involvement required of the end investors**: the Acupay tax arrangements are executed via our network of more than 2,000 custodian banks and investment managers around the world.



If you would like to learn more about our Belgian cross-border tax structure, please don't hesitate to contact us:

Pour de plus amples informations sur notre structure fiscale transfrontalière belge, veuillez vous adresser à :

Voor meer informatie over onze grensoverschrijdende Belgische belastingstructuur, gelieve contact op te nemen met :

**Stef Lambersy**

Tel: +44 20 7382 0348

Email: [slambersy@acupay.com](mailto:slambersy@acupay.com)

**Miriam Haniffa**

Tel: +44 20 7382 0342

Email: [mhaniffa@acupay.com](mailto:mhaniffa@acupay.com)

**acupay**

[www.acupay.com](http://www.acupay.com) | [markets@acupay.com](mailto:markets@acupay.com)