

acupay Updates

Wednesday, 5 August 2015



Spanish Market Update – Amendment to Statutory Withholding Tax Rate

The Legislative Royal Decree 9/2015 (RDL 9/2015), approved by the Spanish Government on 10 July 2015, introduced a reduction in the Spanish withholding tax rate from 20% to 19.5% on all Spanish securities. The change became effective on **12 July 2015**, and will reduce the withholding tax rate for all payments as of value date 13 July 2015.

Please be advised that the withholding tax rate to be applied to interest or dividends distributed by companies set up in the Navarra region remains at 20% until further notice.

The Spanish Government has also conveyed its intention to further reduce the withholding tax rate to 19% in 2016. Acupay will continue to monitor the status of this amendment and will keep you updated.



Belgium Market Update – Guidelines with regards to Statutory Deadlines for Standard Refund Applications

It appears that the Belgian Tax Authority has changed their practice towards the application of statutory deadlines for standard refund applications.

According to law provisions, the statutory deadline for reclaiming tax withheld on payments made after 1 January 2011 is:

1 January of the payment year + 5 years.

Whereas the statutory deadline for reclaiming tax withheld on payments made before 1 January 2011 is:

1 January of the year following the payment year + 5 years.

However, the Belgian Tax Authority has indicated that they will be adopting a similar approach for pre-2011 payments to the one applied to payments as from 1 January 2011.

Impact on Participants:

We strongly recommend clients to consider this change of practice by the Belgian Tax Authority and apply the following deadline **for ALL tax refund applications, irrespective of the payment date:**

1 January of the payment year + 5 years.

This will help avoid the risk of having tax reclaims rejected by the Belgian Tax Authority.

To illustrate this change of practice, for the 8 June 2010 Delhaize ADR dividend payment the statutory deadline would have been on 1 January 2016 under the old rule. However as per the new ruling, the statutory deadline may have expired on 1 January 2015. As there is still some ambiguity with regards to the revised statute period, Acupay will continue to accept standard refund submissions

for this ADR dividend payment and will process these reclaims on a best efforts basis.

Acupay is seeking clarification from the Belgian Tax Authorities with respect to the revised statute period, as well as the date from which the new statute came into effect. Any further updates will be communicated via our newsletter.

If you have any questions, please don't hesitate to contact Acupay's [A-team](#).

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