



News Release

Date: December 19, 2011

EU confirms Isle of Man tax compliance

THE Isle of Man Government has welcomed final confirmation that the scheduled withdrawal of the Island's attribution regime for individuals (ARI) will mean its 0/10 corporate tax system is compliant with the EU Code of Conduct for Business Taxation.

Endorsement of the EU Code Group's recommendation to this effect had been expected from ECONFIN, the EU's Economic and Financial Affairs Council, in January but came earlier than anticipated today (Monday December 19, 2011) via a meeting of the European Environment Council.

Abolition of the ARI from April 2012 was announced in the Manx Budget in February this year and endorsed overwhelmingly by Tynwald. In September the Code Group, which monitors compliance with the EU Code of Conduct for Business Taxation, agreed in principle that the Island's business tax system would no longer be considered harmful if it went ahead with the proposed repeal of ARI.

Chief Minister Allan Bell MHK said: 'Confirmation from Brussels was not expected until the New Year so today's news is a welcome Christmas surprise for the Isle of Man. The outcome of this process is a further endorsement of the Island's policy of responsive engagement with international scrutiny while always seeking to defend our own strategic interests.'

/more

Treasury Minister Eddie Teare MHK commented: 'Whilst I never had any doubt about the outcome I am pleased to have received official confirmation because I recognise that this issue has created some uncertainty for the business community.'

Ends

Media enquiries: Alistair Ramsay 01624 686243