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A Worldwide Network of Independent Firms

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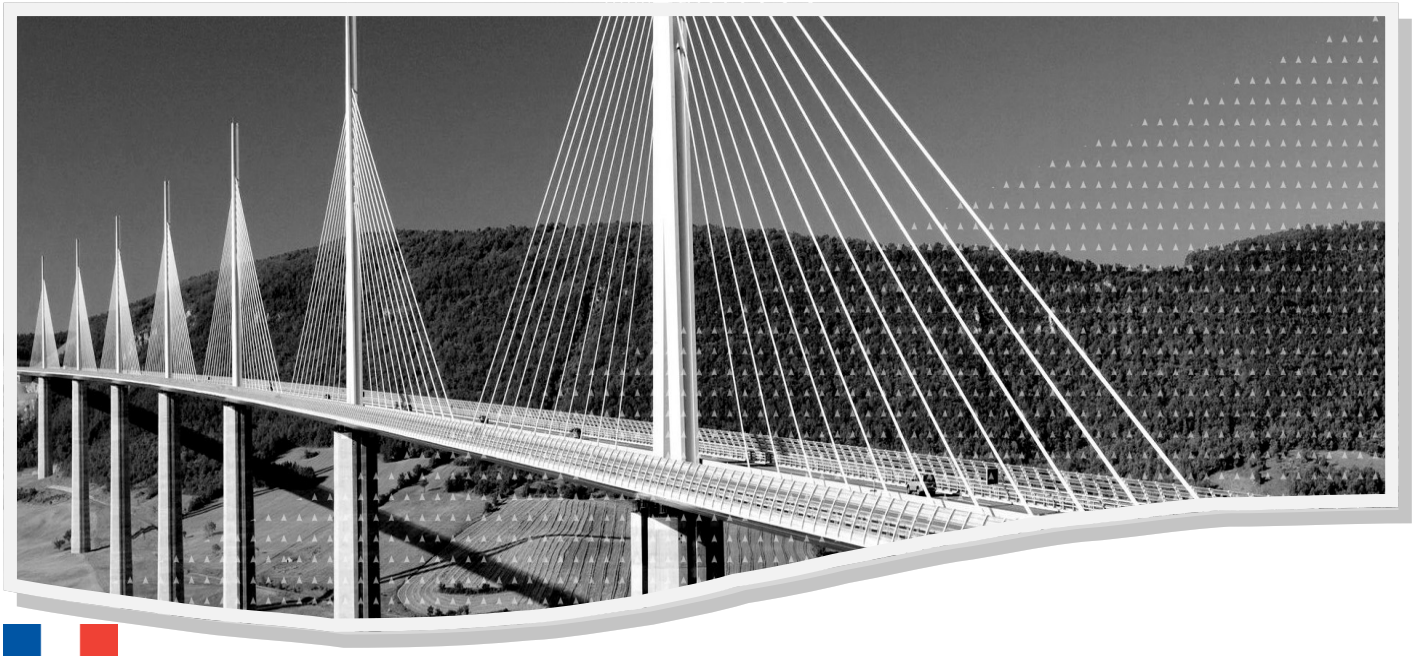


« The aggregate profits of companies derived from different sources in Iran shall be taxed at the flat rate of 25% »

Taxation in Iran for foreign investors

Iranian Taxation—General principles

Taxation in Iran was based on the Taxation Act of 1968, called Direct Taxation Act, which has been replaced by a new Act signed on 22 July 2015 and effective on 21 March 2016.

There are some changes in this new Act, mainly withholding tax and article 272 tax audit are omitted.

Taxation is administered by the Ministry of Economic Affairs and Finance.

Conflicts in this field are mainly resolved through arbitrary.

Foreign Investment in Iran

1– General process and guidance

Foreign investment in Iran is governed by the Foreign Investment Promotion and Protection Act (FIPPA) and administered by the Organization for Investment, Economic and Technical Assistance of Iran (OIETAT), a department of the Ministry of Economic Affairs and Finance.

Foreign investors must obtain approvals from the OIETAT. It is a long process that can be shorten by assigning a person to follow up the matters in government offices and present the required documents, give explanations., review and inspect records.

Investing in Iran can be made through a joint-venture or capital injection in Rials (Iranian currency) by a foreign parent company. The way of investing will have an impact on tax calculation.

If the joint-venture solution is chosen, a registration as an independent company is required and the determination of the participation of each company in the partnership will impact the tax calculation.

If the foreign parent company is chosen, the tax calculation will depend on the nationality of this company (avoidance or not of double taxation by a bilateral treaty).

2– Corporation Tax rate

The **Article 105** of Iran's Direct Taxes Act is applied to all Iranian entities whether they are located in Iran or abroad and establishes the computation of corporation tax as follows:

*"the aggregate profits of companies, and the profits from profit-making activities of other legal persons, derived from different sources in Iran or abroad, less the losses resulting from non-exempt sources and minus the prescribed exemptions, shall be taxed at the **flat rate of 25%**, except the case for which separate rates are provided under this act".*

Moreover, the withholding tax rate of 3% provided by the old Act has been deleted in the new Act.

3– Taxable income

For foreign companies that are registered and located out of Iran and make money from/in Iran, the taxable income is computed based on Clause A of **Article 107** of Iran's Direct Taxes Act, as follows:

*"in all the cases of contracting business in Iran with regards to all types of work in the fields of construction, installations and technical installations, including procurement and setting up of the same, and in the fields of transportation, preparation of design for buildings and installations, topography, drawing, supervision and technical calculations, provisions of training and technical assistance, transfer of technology and other services, the taxable profit will be **12% of total annual receipts**".*

For granting of royalties and other rights and transfer of cinematograph films, the taxable profit shall consist of 20% to 40% of all payments derived by them during a tax year. The applicable coefficient is determined based on the proposal of the Ministry of Economic Affairs and Finance and approved by the Council of Ministers.

For the operation of capital and other activities performed by foreign companies in Iran through agencies, representatives, agents and the like, Article 106 of this Act shall apply.

4—Rental Taxation

Taxation on rental income is provided by the Articles 52 et 53 of Direct Taxes Act.

According **Article 52**, *"the income of real or legal persons derived from the transfer of rights in real estates in Iran, less the exemptions granted in this Act, shall be subject to the Real Estate Income Tax".*

According **Article 53**, *"the taxable income of the leased real estate consists of the total rent, whether in cash or otherwise, less a deduction of 25% to cover expenses, depreciation and commitments of the owner with regard to the leased property".*

If the landlord is an individual, the tax rate is based on Article 131 (presented in the next paragraph). On the other hand, if the landlord is a legal entity, the tax rate is based on Article 105 of the Direct Taxes Act.

5—Salary Taxation

Liability on Income Tax raises immediately from the **date of payment or allocation of the salaries, or provides benefits to the employees** (Iranian or Expatriates) in Iran. Such salaries and benefits received are taxable in Iran regardless of where they are paid.

Under the provision of the Articles 82 and 83 of the Direct Taxes Act, the tax system is respectively as follows:
"The income of real persons employed by another (real or legal) person, that is derived against services rendered by him with regard to his occupation in Iran, whether on the basis of the time spent or work done, and whether paid in cash or non-cash form, shall be subject to tax on Salary Income".
"Taxable salary income consists of the salary (fixed emolument or wages, or basic salary) and fringe benefits paid in connection with the employment, whether on a recurring or non-recurring basis, before subtraction of deductions, but less the tax exemptions provisioned in this Act".

Salaries and benefits are aggregated over the course of a year and taxed at the rate of **Article 131**.
In addition to salary living and other allowances paid in cash, and any other non-cash benefits such as free housing and automobiles are also considered taxable income for individual.

Annual Tax Income (in IRR)	Tax Rate
IRR < 500,000,000	15%
500,000,000 < IRR < 1,000,000,000	20%
IRR > 1,000,000,000	25%

6—Social Security Contributions (SSC)

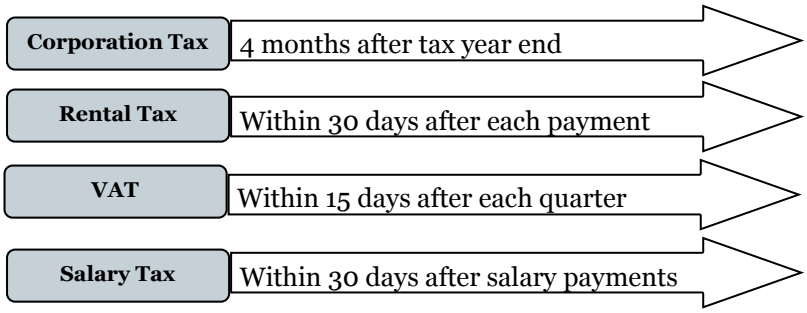
Under the provision of the **Social Security Act**, all staff and workers must contribute for the provision of Social Security in Iran as follows:

Employees	**7%** of their monthly salary as SSC
Employers	**20%** of the employee's monthly salary as SSC
	3% for unemployment benefits

7– Value Added Tax (VAT)

Supply of all goods, provision of services in Iran and also importation and exportation of goods and services are subject to the **VAT law of September 2008 with a VAT rate of 9%**.

8—Tax deadlines



« The Gulf Cooperation Council has decided to implement the VAT at a rate of 5% starting from 1st January 2018 »

TAXES IN THE MIDDLE EAST

JPA INTERNATIONAL IN **LEBANON**

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By virtue of their qualifications, their capacity for team work, their opening to the world and their ability to listen, every member of the Daher & Partners' staff is available to answer the most demanding requirements. The leitmotiv of our group is to offer the exceptional quality of skills our customers are searching for. Whether it is auditing or consulting, Daher & Partners' teams have close collaboration with the companies' managers.

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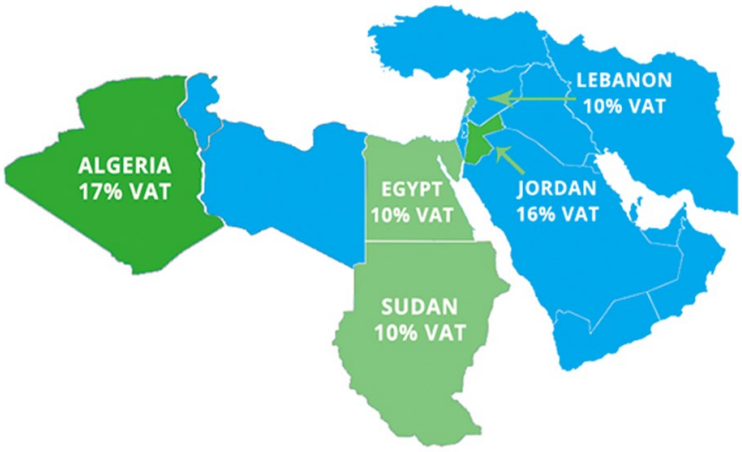
VAT across the Middle East and North Africa (MENA) region



This map shows an overview of the MENA countries that had introduced VAT before 2018 (some VAT rates have changed since 1st January 2018).

The new VAT rates since 1st January 2018 are:

- Lebanon 11%
- Egypt 14%
- Morocco 20%

No Vat till end of 2017

The introduction of VAT in the GCC

The Gulf Cooperation Council (GCC), of which the Kingdom of Saudi Arabia, UAE , Kuwait, Bahrain, Qatar and Oman are member states, has decided to implement the Value Added Tax (VAT) at a rate of **5%** starting from 1st January 2018.

However, only the UAE and the Kingdom of Saudi Arabia (KSA) have effectively implemented the 5% VAT on the 1/1/2018.

The VAT in the GCC is **based on the European system** (like it is already the case in Lebanon, Jordan, Egypt, Sudan, Algeria and Morocco) and will be charged at each step of the 'supply chain'. Ultimate consumers generally bear the VAT cost while businesses collect and account for the tax, in a way acting as a tax collector on behalf of the government.

A business pays the government the tax that it collects from the customers while it may also receive a refund from the government on tax that it has paid to its suppliers. The net result is that tax receipts to the government reflect the 'value add' throughout the supply chain.

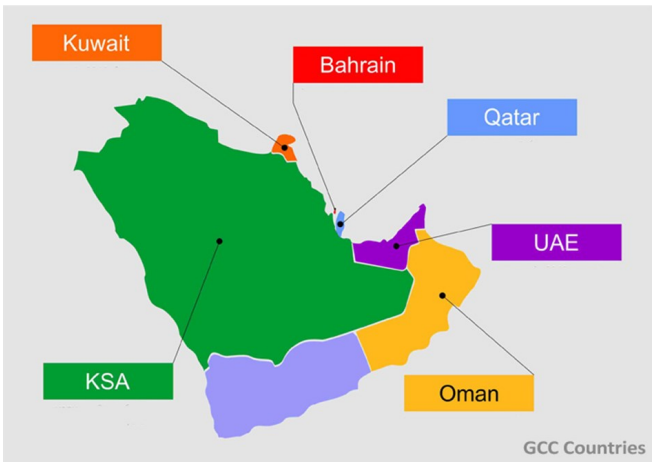
If a business doesn't collect the VAT from its customers where it should, it is actually the business that becomes liable for the VAT.

Implementation of VAT in UAE & KSA

The common VAT framework set by the GCC countries will form the basis for a national VAT system that will be implemented in each of the GCC states. Each member state would still be required to issue its own national VAT legislation, and will have the authority to determine specific VAT rules in certain areas. The objective of the common VAT framework is to introduce a standard, fully-fledged VAT system in each member state. So far, such national rules have only been implemented in the United Arab Emirates (UAE) and the Kingdom of Saudi Arabia (KSA).

With the implementation of VAT in the UAE and the KSA on 1st January 2018, businesses are required to register and to comply with a number of VAT obligations: i.e. charging VAT, issuing tax invoices, filing periodical VAT returns and paying any VAT due to the tax authorities.

The first step in the VAT implementation in the UAE & the KSA was the registration of the businesses eligible to VAT in line with the prescribed timelines of each implementing country.



Who is required to register?

- Any business established in the relevant jurisdiction with a **total annual taxable turnover**, achieved or expected to be achieved in this jurisdiction, **exceeding the mandatory registration threshold of AED 375,000 /SAR 375,000 (approximately USD 100,000).**
- "Taxable turnover" includes the value of taxable supplies of goods and services and imported goods and services.
- Businesses may elect to **register for VAT voluntarily** if their annual taxable turnover **exceeds AED 187,500 / SAR 187,500 (approximately USD 50,000).**
- Furthermore, businesses in the UAE may also be obliged or elect to register where the expenses incurred (which were subject to VAT) exceed the mandatory or voluntary registration thresholds respectively.

Which business are exempted from VAT?

Education, real estate (residential only, commercial are subject to VAT), bare land, healthcare, financial services and transport are exempted from VAT.

Export of goods (outside GCC)

As it is applied for goods being exported outside of the EU, the sale of exported goods outside the GCC are zero-rated (with the right to input VAT recovery). Suitable evidence that the goods have been exported need to be retained.

Intra-GCC cross-border sale/purchase of goods

The sale of goods transported from one GCC member state to another is expected to operate along the lines of the EU, with no VAT being charged on a cross-border sale. Where there is an intra-GCC cross-border sale of goods, VAT will be accounted for under the reverse-charge in the GCC member state of destination (same as the EU rules).

Excise Tax

Excise tax is a form of indirect tax levied on specific goods. These goods are typically those that are not harmful to human health or the environment and are as follow.

1. *Carbonated drinks*

Include any aerated beverage except for unflavoured aerated water. Also considered to be carbonated drinks are any concentrations, powder, gel, or extracts intended to be made into an aerated beverage.

2. *Energy drinks*

Include any beverages which are marketed, or sold as an energy drink, and containing stimulant substances that provide mental and physical stimulation, which includes without limitation: caffeine, taurine, ginseng and guarana. This also includes any substance that has an identical or similar effect as the aforementioned substances. Also considered to be energy drinks are any concentrations, powder, gel or extracts intended to be made into an energy enhancing drink.

3. *Tobacco and Tobacco products*

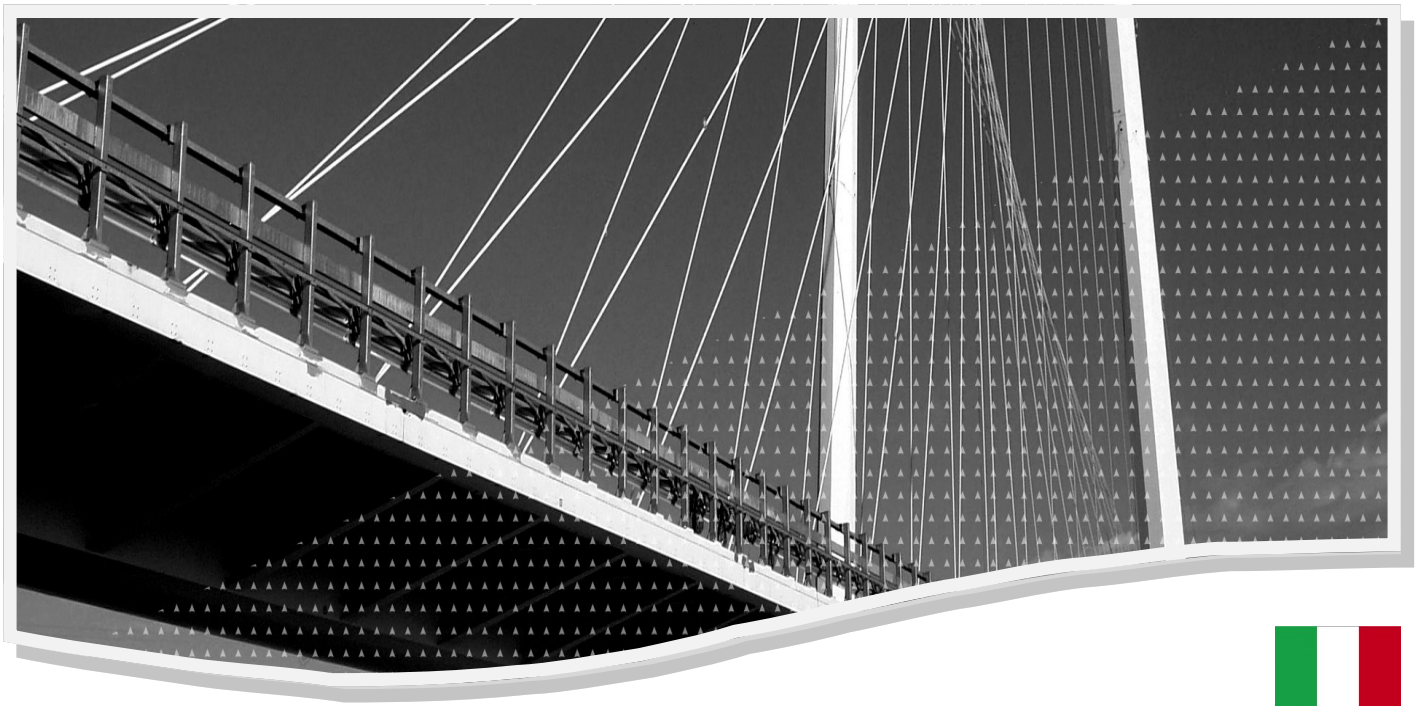
Include all items listed within Schedule 24 of the GCC Common Customs Tariff.

The UAE Government is levying excise tax to reduce consumption of unhealthy and harmful commodities while also raising revenues for the government that can be spent on beneficial public services.

Consumers will need to pay more for goods that are harmful to human health or the environment.

The rates of excise tax in the UAE will be:

- **50 % for carbonated drinks;**
- **100 % for tobacco products;**
- **100 % for energy drinks.**



« The beneficial ownership is the right to use and enjoy an income and that this income must not be constrained by a contractual or a legal obligation to pass the payment received»

The beneficial ownership in OECD's Tax Treaties

The term Beneficial owner can be found in many context and because of this it should not be confused the meaning that it has in OECD's Tax Treaties with the meaning in other rules or conventions (such as the Money Laundering Regulations). This term was introduced in three articles of the OECD's model regarding Dividends, Interests and Royalties, to address potential difficulties arising from the words "paid to ... a resident" hence to clarify how these articles apply in relation to payments made to intermediaries. In fact the State of source does not have any obligation to give up its taxing rights solely because one of the incomes above mentioned was paid to a resident of a State with which the State of source has concluded a convention.

The procedure is then to go through the Model of the convention to find a definition, and then to search for an interpretation and a specification.

Taking a look through the Model the definition of the term beneficial owner cannot be found in any of the articles. Therefore as stated in general treaty interpretation rule since there is not a definition we should use the meaning that the term, beneficial owner, has in the national tax law at the time of the facts.

Observing the commentary to the tax model it gives practical, non-limitative qualification criteria affirming that the beneficial ownership is the "right to use and enjoy" an income and that this income must not be "constrained by a contractual or a legal obligation to pass the payment received". The full power on the decisions related to the destination of the income, and the risk related on it, becomes the necessary conditions to be the beneficial owner of an income. With full power on and risk related on the income it is intended that the recipient is not constrained by any obligation, that normally derives from relevant legal documents but may also be found to exist on the basis of facts and circumstances showing that, substantially, the recipient clearly does not have the full right to use and enjoy the income. Since it was introduced as a clarification it shouldn't understood in a narrow technical sense but it should be used in the light of the object of the convention.

JPA INTERNATIONAL IN **ITALY**

Studio Righini was founded in the mid nineteen sixties and has been doing business in Verona for 50 years as a firm of chartered accountants and auditors.

Today it is a second generation Firm that, by now for over a decade, has also integrated legal advice and Judicial Authority advocacy with its accounting services.

Since its establishment the Firm has always distinguished itself for its high quality support for Italian entrepreneurs and for foreign investors who do business in Italy and Italian companies in their internationalization process.

The goal of the Firm is to provide professional services that focus on quality. To pursue this goal it has set up various specialized departments that assist Clients according to their specific requirements.

The 7 Partners, personally involved in managing the dossiers, are assisted by a team of young professionals. These professionals have different specialized skills but share the same spirit of dedication to ensure expertise and quality to the Clients thanks to their ongoing updating.
Thanks to the extensive experience of the Firm its Professionals are constantly involved in the management of more structured and complex activities.

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There seems to be a dissonance between what is written in the Model and what is said by the Commentary, but focusing the attention on the general treaty interpretation rule we can highlight the sentence "unless the context otherwise requires". It appears that this general rule of using the national tax law can be derogated if required by the context, and this appears to be the occasion. In fact, the commentary on the model seems, by itself, to invoke this exception by saying that the term beneficial owner should be interpreted in the context of the Model and not to refer to any technical meaning that it could have under the domestic law of a specific country. Specifying also that the meaning given to this term has to be distinguished from the different definitions given from "other instruments" bringing the example of the definition given by the Financial Action Task Force which identifies the beneficial owner in the natural person that exercises the ultimate control on the entity or on the goods.

Consequently, it is necessary to understand what the commentary means with "the context and light of purposes of the convention". The main objective of the Convention is to foster goods and services trades and the circulation of persons and capital, through the elimination of the international double taxation over the same income. With the increase in the number of bilateral tax treaties also the risk of abusive behavior has grown, since it is easily usable artificial structures designed to assure both the fiscal advantages contained in specific national laws and the ones contemplated by the Conventions. Therefore it is possible to summarize the objectives of the tax treaties in:

- The elimination of a double taxation on the same income,
- The prevention of fiscal evasion and avoidance in the form of Treaty shopping and treaty abuse.

Treaty Abuse, in a general definition, is that practice that even in the respect of the treaty regulation, aims to obtain fiscal advantages contrary to the essence of the treaty, in fact every operation that aims to obtain a double non-taxation, or a reduced imposition with condition different from the canonic ones, represent an abuse of the Convention. Therefore there are two elements that are necessary to be present to ensure that a transaction or an arrangement can be identified as an "abuse of the provision of a tax treaty":

- The main purpose of the transaction or arrangement is to secure a fiscal advantage;
- The obtaining of that more favorable treatment is contrary to the object and purpose of the relevant provision.

While Treaty shopping can be defined as the operations aimed to allow to a subject to access to conventional advantages that on the ground of its residence he is not entitled to receive. One of the most common practices of treaty shopping is the configuration of conduit structures. From which is possible to deal with the absence of a treaty between the source income country and a third country, through the interposition of an economic entity (conduit) resident in a different country which has stipulated a treaty against the double taxation with the source income country, so that later those incomes will be transferred from the conduit company to the third state.

Basically this does not mean that the national law's interpretation cannot assume relevance but that can find application in those cases in which it is compliant with the OECD commentary. A country can establish some criteria with the purpose to specify the interpretation of beneficial owner as long as these criteria remain in the context of the convention.

National Tax Authorities very often look with suspects to pure holding especially if those have been incorporated in a country with low tax liability and have very limited function and assets. Frequently this is due to the assumption that their only purpose is to obtain a more favorable tax position, since they could easily being established in the countries of residence of their shareholders or of the operative subsidiaries. Notwithstanding, the commentary never mentioned any restriction on passive income holding but only regarding the Conduit companies.

It looks like that a limitation on the applicability of the convention, such as the one on the basis of not having employees, should be considered as overpassing the context and the object of the convention because a general assumption of fraud and abuse cannot justify either a fiscal measure which compromises the principal objective of a tax treaty, or a fiscal measure which prejudices the enjoyment of a fundamental freedom guaranteed by the treaties.

Aptar Case

A U.S. corporation owned a holding company in France that in turn owned an Italian operating subsidiary. The Italian subsidiary distributed dividends to its French company and withheld 5% dividend. The French sub-holding applied for the reimbursement of the Italian dividend withheld encountering the refusal of the Italian Tax Authority. Since neither the Italian treaties in force nor the domestic law contain a definition on "beneficial ownership", the Italian tax authority generally rely on the OECD guidelines and existing international case law. Subsequently the Italian Tax Authority gave significant attention to the lack of operational substance of the French sub-holding. Apparently the French sub-Holding could not be considered as having its place of effective management in France because of the lack of business substance. This company in fact did not have any premises, staff and equipment and its balance sheet did not record any trade receivables beyond its participation in the Italian subsidiary. In addition it was observed that the French sub-Holding was wholly owned by a US company, country that did not have a tax treaty with Italy providing a similar tax benefit as granted by the Fra-Ita DTAA. Subsequently in their opinion the French sub-Holding was a mere conduit set-up to minimize tax leakage on up streamed income.

This case came to the Italian Supreme Court which sentence rejected the Italian Tax Authority position, since it did not take into consideration the nature of the French company. In fact after observing the nature of the limited activities carried out by the French sub-holding the Court specified that these limited holding activities were not sufficient to conclude that the company did not have a valid residency, from a beneficiary position. In Court's opinion the beneficial ownership should be verified taking in consideration the specific characteristics of the object and the nature of the parent company, that being in this case a holding company, to be compliant with the Convention, would be necessary to address the verification analysis on the autonomous capacity to make decision regarding the use of the income (dividends in this case) received and to exercise power over the applicable funds, rather than concentrate on the lack of an operating structure, on the absence of employee and/or on the low management costs.

Where the context requires a different interpretation, of beneficial owner, from the one given by the National Law of a contracting state that apply the Convention, that interpretation should be reassembled from the tools individuated by Convention of Wien, and thus also the applicable rules of international law, in the case of European Country therefore would be relevant the definition given by the EU directives and the sentences given by the European Court of Justice. In this respect it is interesting to briefly analyze a recent decision rendered by the European Court of Justice.

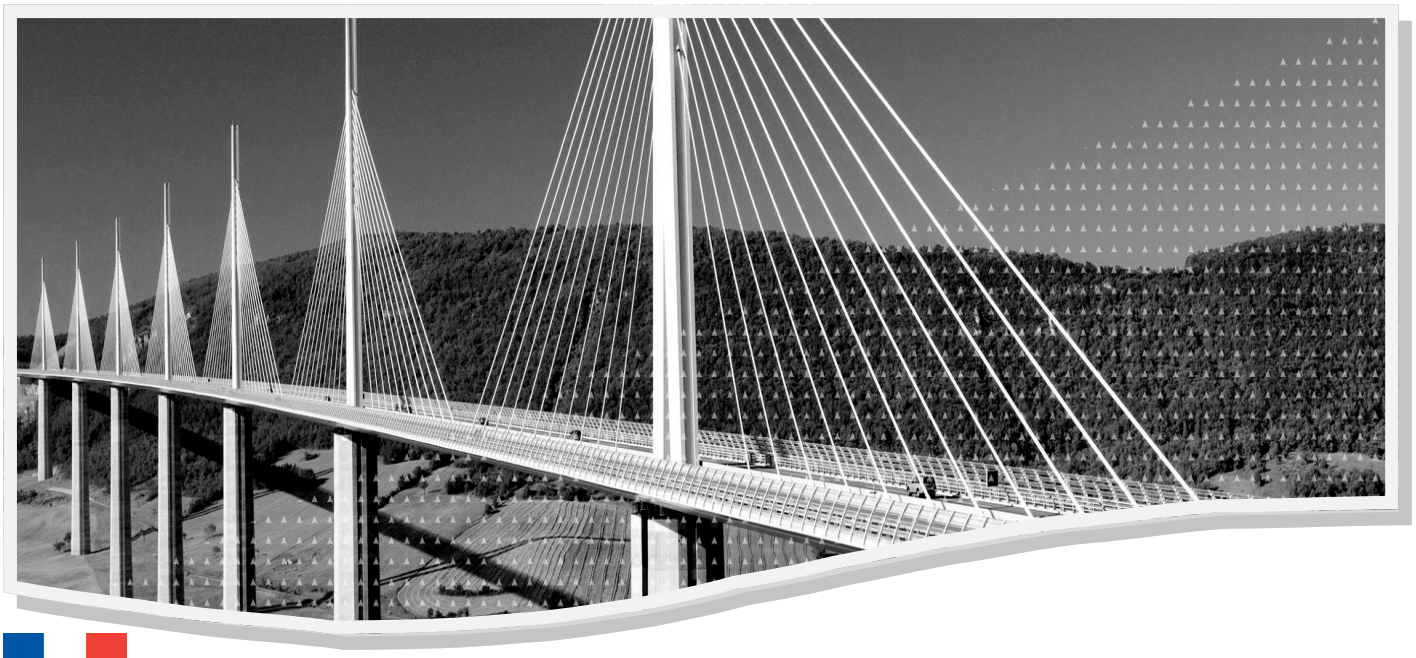
Eqiom Case

The case concerned the refusal by French Tax Authority to grant an exemption from withholding tax on dividend distributions by a resident subsidiary to its parent company located in the EU, which is controlled by shareholders residents in a third state. This refusal was based on a French provision that attempts to avoid directive shopping by requiring the taxpayer parent to prove that the principal purpose or one of the principal purposes behind the structure is not to take advantages of the exemption. The court noted that in order for a domestic legislation to be justified by the need to avoid tax evasion and abuse, its specific objective must be to prevent conduct consisting of the creation of *wholly artificial arrangements*. Thus a general presumption of fraud or abuse cannot justify a tax rule that conflicts with a directive. The Court concluded that the French rules generally covered all situation of a parent company controlled by shareholders in third states and where not specifically designed to exclude only the purely artificial arrangement to benefit from that exemption, and ruled that the French rules were contrary to Article 1(2) of the Parent-Subsidiary Directive, and therefore rejected the French Tax Authority position.

Conclusions

Both the sentences, the Italian Supreme Court one and the CJEU one, follow the same line of judgment targeting the tax authorities that interpreted the beneficial ownership in a strict way, hampering the freedom of establishment and the freedom of circulation of capital, rights that are defended by both the OECD's Model and by the EU Parent-Subsidiary Directive.

The Courts have determined in practice that the tax authorities may not confine themselves to applying predetermined general criteria but must carry out an individual examination, case by case, of the whole operation in order to determine whether an operation pursues an objective of fraud or abuse. It will be interesting to follow the practical implementation of these judgments by the Tax Authorities, in particular regarding the evidence required to justify an initial refusal of withholding tax exemption.



JPA International Real Estate Tax Game – Results

As promised in the last International Tax Newsletter Issue #8, we give you the results of the French Real Estate Tax Game, presented by Alain Jacob in Cannes. The idea is to compare taxation on real estate in as many countries as possible, with the same scenario. So we start with the French Riviera as a way of introduction and we will expend to the world...

Scenario 1 Mr & Mrs Jack WINEPOT (British nationality and resident in London) have acquired an apartment in Cannes in 2001 for their personal use (second home). **Purchase price: €1,000,000 and Solicitor fees: €70,000.**

They have carried out various embellishment works during these years for **€100,000.** They decide to sell the property in 2018.

Questions What is the taxation applicable:

- during the detention (Wealth Tax)
- At the time of the sale (CGT)

Answers <u>During holding:</u>

- Yearly local taxes: landlord property tax of €1,615 & rates of €2,145 in 2017.
- Yearly wealth tax: in 2017 ISF= €3,066 for a declared value of €1,400,000 & in 2018 IFI= €3,889 for a declared value of €1,500,000. This is due to the changement in the calculation of Wealth Tax introduced in the new French Tax Bill in 2018.

<u>Applicable taxation on the sale:</u>

Price of sale	€1,500,000
Purchase price	€1,000,000
Fixed deduction for purchasing*	€75,000
Fixed deduction for works**	€150,000
Capital Gain	**€275,000**

**Flat rate on acquisition cost: 7.50% of the purchase price (more favourable than actual cost paid of €70,000)*

***Flat rate on work carried out: 15% of the purchase price (more favourable than actual cost paid of €100,000)*

	Income Tax (IT)	Social Contributions (SC)
CGT before reduction	€275,000	€275,000
Reduction depending on detention length	€-198,000*	€-54,450**
CGT after reduction	€77,000	€220,550
CGT to be paid (IT 19% / SC 17.2%)	€14,630	€37,935
Tax on real estate capital gain	€1,540***	
Total CGT to be paid	**€54,105**	

**Reduction of 6% per year between the 6th and the 21st year, the 4% for the 22nd year*

***Reduction of 1.65% per yeqr between the 6th and the 21st year, 1.60% for the 22nd year, then 9% between the 23rd and the 30th year. After 30 years, 100% reduction*

****Tax owed when CG is greater than €50,000. Gradual tax starts at around 2% and 6% when greater than €260,000.*

Scenario 2 Mr & Mrs Jack WINEPOT decide to rent this apartment on a seasonal basis in 2017.

Questions What is the taxation applicable to this income in 2017?

Answers

	Regime « réel »	**Regime « micro »***
Rental income	€60,000	€60,000
Rental expenses	€15,000	N/A
Capital Allowances	€22,000	N/A
50% reduction	N/A	€-30,000
Taxable income	**€23,000**	**€30,000**

**Applicable system if the gross rental income is lower than €70,000.*

In our case, the regime « réel » is more favourable than the regime « micro ».

For the two systems, the taxable income will be taxed with the IT gradual scale (with a minimum of 20%) and with the social contribution rate of 17.20%.

If the apartment was to be sold, the same taxation system as Scenario 1 applies, but you can deduct twice the acquisition and embellishment costs during the rental (calculation of the taxable income) and at the sale (calculation of the capital gain). You have two options on the deduction: based on actual and real costs or flat rate of 7.5% and 15%.

Scenario 3 Same scenario as the second one but in the context of an **unfurnished rental**.

Questions What is the taxation applicable to this income in 2017?

Answers

	Regime « réel »
Rental income	€30,000
General rental expenses	€4,500
Taxable income	**€25,500**

In our case, the regime « micro » cannot be used because the income is greater than €15,000. Therefore, the regime « réel » is compulsory. This system does not allow to deduct acquisition costs and capital allowances.

The taxable income will be taxed with the gradual income tax scale (with a minimum of 20%) and the social contribution rate of 17.20%.

If sale of the apartment, the taxation system is the same as Scenario 1.

Scenario 4 The property had been acquired by a company governed by British law and owned by Mr & Mrs Jack WINEPOT, both during the holding (with or without lease) and at the time of the transfer.

Questions What would have been the applicable taxation?

Answers Taxable system on rental income:

	Regime « réel »
Rental value*	€58,500
General rental expenses	€15,000
Capital allowances	€22,000
Profit	**€21,500**

**The rental value is 4.50% of the market value of the apartment (€1,300,000). This rate is variable and depends on the market value (between 3% and 6%).*

The profit made by the company is taxed at a rate of 15% because the profit is lower than €38,120.

Taxable system on the sale of the apartment:

Sale price	€1,500,000
Book value	€-626,000
Capital gain	**€874,000**
CT Direct Debit of 33.33%	**€291,333**

Taxable system if sale on 01/07/2018:

Rental value	€29,250
General Costs	€10,000
Capital Gain	€874,000
Profit before taxation	€893,250
Corporation Tax	**€266,127**

The company will have to claim the surplus between the direct debit and the corporation tax, so an amount of €25,206.

	***Income tax & Social contributions**	***Capital Gain Tax**
Scenario 1	N/A*	€54,105*
Scenario 2	€8,165*	€54,105*
Scenario 3	€9,053*	€54,105*
Scenario 4	€3,825**	€266,127**

JPA INTERNATIONAL IN **CANNES**

At the service of all professinals: artisan, trader, services provider, industrial, any profession, CEGEAC guides his clients since 1988, locally and globally, mostly SMEs.

Apart from our accounting, business management, taxation, legal and payroll skills, we have developed a partnership with solicitors, banks, asset management companies, IT consultants, actuaries for our clients' needs.

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Business travelers ?

...you might be interested ...

JPA iTRAVELER

Have you ever been faced with some **uncomfortable situations** abroad, during your **business travels,** where the **lack of information** on the **lifestyle** or the **different regulations proved fatal ?**

DO YOU REMEMBER

... beeing face to face with a new business partner for two hours in a restaurant **without any conversation topics** ?

... standing in meetings with your potential clients while they all look at you embarrassed because of an **unintended hasty action** of yours ?

*... explaining your point of view about a crossborder project and having **no idea of the regulatory consequences** of your choices ?*

If you ever met these awkward situations during your business trips, **that's you've never used the JPA iTraveler application !**

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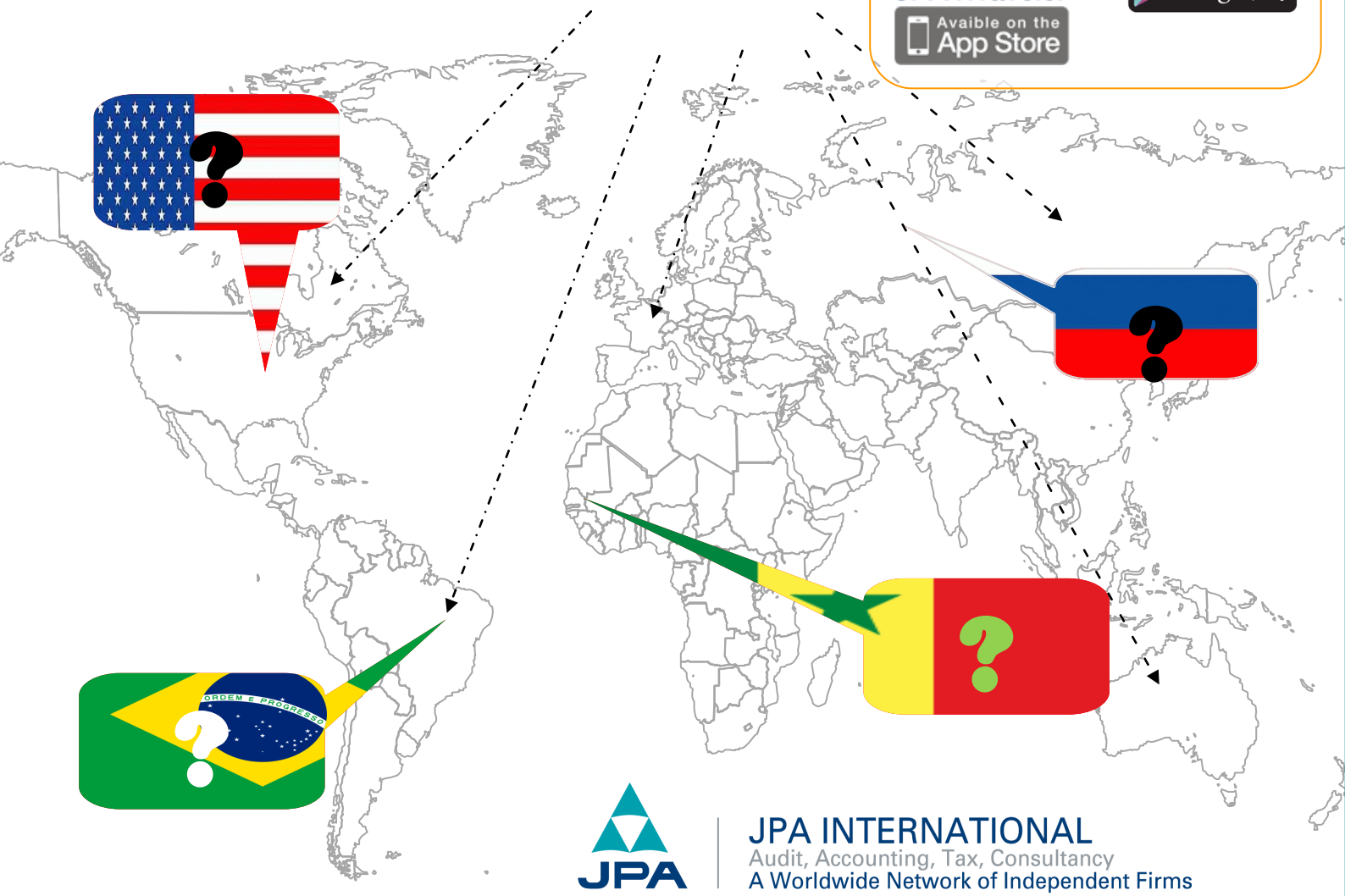

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