

# Offshore insurance update



## Government of Bermuda extends Assurance of Tax Neutrality to 2035

May 27, 2011

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### Alert 11 - 04

The Government of Bermuda recently enacted the Exempted Undertakings Tax Protection Amendment Act 2011 (the “Act”). The Act extends the period for which the Minister of Finance may grant an assurance to exempted undertakings (which includes exempted companies, exempted partnerships, overseas companies and overseas partnerships) that if certain taxes were introduced, such taxes would not apply to these undertakings or their operations. Taxes which the Act covers include any income related tax, tax on the sale or appreciation of a capital asset, or any estate related tax. The Act extends the period of tax assurance from March 28, 2016 to March 31, 2035.

In order for an exempted undertaking to take advantage of this extension, an application along with a \$165 application fee must be submitted to Bermuda’s Minister of Finance.

### Observation

PwC notes that even if an exempted undertaking has an assurance until March 28, 2016, it can extend this assurance to March 31, 2035 by completing an application.

### For additional information, please contact the following individual or your usual contact at PwC:

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