

BAHAMAS ECONOMIC SUBSTANCE QUESTIONNAIRE

With the implementation of economic substance legislation at the end of 2018, each legal entity in the Bahamas will be required to report its status to the government of the Commonwealth of the Bahamas

The need to establish a local economic substance depends exclusively on the company's commercial activities. Therefore, you need to be aware of the commercial activities carried out by the company over time. Every time the company changes its commercial activities, and if it is within the scope of the application for an economic substance, it must report this situation within 15 days, and if necessary, establish the economic substance locally, or prove that the company is a resident country of taxation, and accepted for that purpose. The penalties for non-compliance with the legislation are high, and additionally, they may imply the liquidation of the company.

Name of the Company	
Legal Representative	
Signature	
Date	

1. WHAT TYPES OF ACTIVITIES ARE IN THE SCOPE THE ECONOMIC SUBSTANCE REQUIREMENT?

- a) Companies that only maintain financial assets;
- b) Companies that maintain only financial assets, real estate and other equity interests;
- c) Companies that hold only financial assets and equity interests; or
- d) Companies that provide services to third parties (and not to affiliates) in combination with some of the activities mentioned above, but not in conjunction with the activities described in the table below.

Indicate the letter in the list above that best describes the activities conducted by your company:

As a consequence of this response, the company will be reported to the authorities as outside the scope of the economic substance requirement.

OR

2. WHICH COMPANIES MAY BE SUBJECT TO THE REQUIREMENT OF ECONOMIC SUBSTANCE?

MARK AN 'X'	RELEVANT ACTIVITIES	DEFINITION
	BANKING BUSINESS	The core income generating activities may include raising funds; managing risk including credit, currency and interest risk; taking hedging positions; providing loans, credit or order financial services to customers; managing regulatory capital; and preparing regulatory reports and returns .
	DISTRIBUTION AND SERVICE CENTER BUSINESS	The core income generating activities may include activities such as transporting and storing goods; managing stocks and taking orders; and providing consulting or other administrative services.
	FINANCE AND LEASING BUSINESS	The core income generating activities may include taking decisions on the holding and selling of investments; calculating risks and reserves; taking decisions on currency or interest fluctuations and hedging positions; and preparing relevant regulatory or other reports for government authorities and Investors.
	HEADQUARTERS BUSINESS	The core income generating activities may include taking relevant management decisions; incurring expenditures on behalf of group entities; and coordinating group activities.
	HOLDING BUSINESS	A business holding equity participation from which dividends
	GROUP HEADQUARTERS ACTIVITIES	The main income-generating activities may include making relevant management decisions; incur expenses on behalf of group entities; and coordinate the group's activities.or capital gains are earned.

	HOLDING ACTIVITIES	A business that holds equity interests from which dividends or capital gains are earned.
	INSURANCE ACTIVITIES	The main income generating activities may include forecasting and calculating risk, insurance or reinsurance against risk and providing services to the client.
	INTELLECTUAL PROPERTY ACTIVITIES	For similar patents and intellectual property assets, the main income generating activities include research and development; and for intangible intellectual property assets such as brand, trademark and customer data, the main income-generating activities include marketing, branding and distribution.
	FREIGHT TRANSPORT/FREIGHT ACTIVITIES	The main income generating activities may include crew management (including hiring, paying and supervising crew members); transport and maintain ships; supervise and monitor deliveries; determine what goods to order and when to deliver them; and organize and supervise trips.

If the company carries out a relevant activity, however, it is resident for tax purposes in a jurisdiction outside the Bahamas (and which is not on the EU list of non-cooperative jurisdictions for tax purposes), it can present the documents of genuine tax residence, such as ; tax returns, tax identification, etc., to comply with the legislation.

OR

The company does not carry out any of the activities mentioned above.

3. DESCRIBE IN DETAIL THE COMPANY'S ACTIVITIES:

According to the analysis of the answer above, the company may be subject to the requirement of local substance, or greater evidence of its activities.