STATUTORY INSTRUMENTS

2015 No. 1887

CAPITAL GAINS TAX
CORPORATION TAX
EXCISE
INCOME TAX
INHERITANCE TAX
VALUE ADDED TAX

The International Tax Enforcement (Brazil) Order 2015

Made - - - - 11th November 2015

At the Court at Buckingham Palace, the 11th day of November 2015

Present,

The Queen's Most Excellent Majesty in Council

A draft of this Order was laid before the House of Commons in accordance with section 173(7) of the Finance Act 2006(**1**) and approved by a resolution of that House.

Accordingly, Her Majesty, in exercising the powers conferred upon Her by section 173(1) to (3) of the Finance Act 2006, by and with the advice of Her Privy Council, orders as follows—

Citation

1. This Order may be cited as the International Tax Enforcement (Brazil) Order 2015.

Tax information exchange agreement to have effect

2. It is declared that—

(a) the agreement set out in the Schedule to this Order has been made with the Government of the Federative Republic of Brazil with a view to the exchange of information foreseeably relevant to the administration or enforcement or recovery of the taxes, and debts relating to the taxes, covered by the agreement; and

(**1**) 2006 c. 25.

(b) it is expedient that the agreement should have effect.

Richard Tilbrook
Clerk of the Privy Council

SCHEDULE Article 2

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND TH GOVERNMENT OF THE FEDERATIVE REPUBLIC OF BRAZIL FOR T EXCHANGE OF INFORMATION RELATING TO TAXES

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Federative Republic of Brazil, desiring to facilitate the exchange of information with respect to certain taxes have agreed as follows:

ARTICLE 1

Object and Scope of the Agreement

The competent authorities of the Contracting Parties shall provide assistance through exchan information that may be relevant to the administration or enforcement of the domestic laws Contracting Parties concerning taxes covered by this Agreement. Such information shall in information that may be relevant to the determination, assessment and collection of such taxe recovery and enforcement of tax claims, or the investigation or prosecution of tax ma including criminal tax matters. Information shall be exchanged in accordance with the provi of this Agreement and shall be treated as confidential in the manner provided in Article 9.

ARTICLE 2

Jurisdiction

1. A requested Party is not obliged to provide information which is neither held by its authorities nor in the possession or control of persons who are within its territorial jurisdictio

2. Information shall be exchanged in accordance with this Agreement by the competent authority of the requested Party without regard to whether the person to whom the informatio relates is a resident or national of a Contracting Party.

ARTICLE 3

Taxes Covered

1. The taxes which are the subject of this Agreement are

a) in the case of the United Kingdom;

(i) the income tax;[3]

(ii) the corporation tax;

(iii) the capital gains tax;

b) in the case of Brazil;

(i) the individual and the corporate income tax (IRPF and IRPJ, respective hereinafter referred to as the income tax);

(ii) the industrialized products tax (IPI);

(iii) the financial transactions tax (IOF);

(iv) the rural property tax (ITR);

(v) the contribution for the program of social integration (PIS);

(vi) the social contribution for the financing of social security (COFINS); a

(vii) the social contribution on net profits (CSLL).

2. This Agreement shall apply also to any identical or substantially similar taxes impos after the date of signature of the Agreement in addition to or in place of the existing taxes if t Contracting Parties so agree. The competent authority of each Contracting Party shall notify other of changes in laws which may affect the obligations of that Contracting Party pursuant this Agreement.

3. This Agreement shall apply to taxes imposed by states, municipalities or other politi subdivisions of a Contracting Party to the extent allowable under the laws of that Contracting Party.

ARTICLE 4

Definitions

1. For the purposes of this Agreement, unless otherwise defined:

a) the term "United Kingdom" means Great Britain and Northern Ireland, including any outside the territorial sea of the United Kingdom designated under its laws concernin Continental Shelf and in accordance with international law as an area within which t rights of the United Kingdom with respect to the seabed and sub-soil and their natura resources may be exercised;

b) the term "Brazil" means the Federative Republic of Brazil;

c) the term "Contracting Party" means the United Kingdom or Brazil as the context req

d) the term "competent authority" means

i) in the case of the United Kingdom, the Commissioners for Her Majesty's Reven and Customs or their authorised representative;

ii) in the case of Brazil, the Minister of Finance, the Secretary of Federal Revenue

purchase or sale of shares is not implicitly or explicitly restricted to a limited group of investors;

h) the term "principal class of shares" means the class or classes of shares representing majority of the voting power and value of the company;

i) the term "recognised stock exchange" means any stock exchange agreed upon by the competent authorities of the Contracting Parties;

j) the term "collective investment fund or scheme" means any pooled investment vehic irrespective of legal form. The term "public collective investment fund or scheme" r any collective investment fund provided the units, shares or other interests in the fun scheme can be readily purchased, sold or redeemed by the public. Units, shares or ot interests in the fund or scheme can be readily purchased, sold or redeemed "by the pu if the purchase, sale or redemption is not implicitly or explicitly restricted to a limited group of investors;

k) the term "tax" means any tax to which this Agreement applies;

l) the term "applicant Party" means the Contracting Party requesting information;

m) the term "requested Party" means the Contracting Party requested to provide informa

n) the term "information gathering measures" means laws and administrative or judicial procedures that enable a Contracting Party to obtain and provide the requested information;

o) the term "information" means any fact, statement or record in any form whatever;

p) the term "national" means

i) in relation to the United Kingdom, any British citizen, or any British subject not possessing the citizenship of any other Commonwealth country or territory, prov he has the right of abode in the United Kingdom; and any legal person, partnersh association or other entity deriving its status as such from the laws in force in the United Kingdom; and

ii) in relation to Brazil, any individual possessing the Brazilian nationality and any entity or any other collective entity deriving its status as such from the laws in fo in Brazil;

q) the term "criminal tax matters" means tax matters involving intentional conduct whic liable to prosecution under the criminal laws of the applicant Party;

r) the term "criminal laws" means all criminal laws designated as such under domestic irrespective of whether contained in the tax laws, the criminal code or other statutes.

2. As regards the application of this Agreement at any time by a Contracting Party, any not defined therein shall, unless the context otherwise requires or the competent authorities ag