

E001 US Foreign Sales Companies Ruling (USFSC) – Belgium

- See paragraphs 41 to 44 of the Code of Conduct Group's report of 23 November 1999 (SN 4901/99).

Description of rollback action either already implemented or envisaged:

Belgium indicates that this regime will be abolished once the US has complied with the WTO decision on the US FSC regime. No new entrants can benefit from the regime and there have been no new entrants in the last 4 years.

Those already benefiting from the regime at the end of 2000 will continue to benefit until the end of 2005 unless the US regime ceases to exist.

E002 Informal Capital Ruling – Belgium

- See paragraphs 41 to 44, 54 and 55 of the Code of Conduct Group's report of 23 November 1999 (SN 4901/99).

Description of rollback action either already implemented or envisaged:

New legislation on “advance tax rulings” will be implemented by the end of 2002 and applied to informal capital. The Regent's Order of 1831 will no longer be applied. Rulings, including amortisation of informal capital, will be given on a case-by-case basis, in accordance with International Accounting Standards (IAS) and depending on the company's real situation. The situation of the business is verified every year, and the ruling will cease to apply from the point at which the conditions are no longer met. The informal capital ruling will be notified systematically to the country (Member State or third country) in which the company making the informal capital injection is located. Rulings will be reviewed on a 5-year cycle and will be published on an anonymised basis.

These new rules will apply to rulings granted on or after the date of entry into force of the draft legislation relating to advance tax rulings, but will not affect existing rulings.