Internationaler Vergleich der Steuersätze für Unternehmen

International Corporate Tax Rate Survey 2003

KPMG's Corporate Tax Rate Survey – January 2003

KPMG's International Tax and Legal Center is pleased to present its annual survey of corporate tax rates. The survey (begun in 1993) currently covers 68 countries, including the 30 member countries of the Organisation for Economic Cooperation and Development (OECD), and many countries in the Asia Pacific and Latin America regions. Local KPMG tax offices from these countries have contributed to this survey.

Produced by the KPMG International Tax and Legal Centre supplied by Dr. Pierre-Olivier Gehriger, Tax Partner, KPMG Zürich.

PIERRE-OLIVIER GEHRIGER

Dr. oec. HSG
dipl. Steuerexperte,
Tax Partner
KPMG Zürich

Findings[1]

The global trend of decreased tax rates persists

Finding Belgium and Ireland at the forefront, with tax rate decreases of 15.38% and 21.88%, respectively, the European Union (EU) and OECD member countries again show reductions in their rates. By cutting its corporate rate to 12.5%, Ireland carried through with the goal highlighted in last year's survey of reaching that figure by 2003.

While not as steep a tax cut, Italy's rates dropped below 40% (to 38.25%), thus contributing to the average corporate tax rates falling to 30.79% for OECD countries (from 31.39% in 2002) and 31.68% for EU nations (from 32.53%).

Moderate developments in the Asia-Pacific and Latin America regions

Sri Lanka, Bangladesh and Singapore stand out as three nations that witnessed tax cuts since last year's survey, with the Sri Lanka government reducing its corporate rates by almost 17%. The other Asia-Pacific corporate rates, however, generally changed little or not at all (with Papua New Guinea going against the trend and raising rates to 30%, from 25%). Meanwhile, China (still listed at 33%) continues to offer lower tax rates for foreign enterprises established in certain Special Economic Zones.

In Latin America, Mexico lowered its rates to 34% (from 35%), thus following through with the announcement discussed in last year's survey of settling at 32% by 2005. Elsewhere, Panama slashed its rates by approximately 19% (to 30%), Peru went from 30% down to 27%, and the government of Uruguay increased its rates by over 14%.

Corporate tax rates only part of the equation

Although the survey captures an interesting «snap shot» of global tax rates, it must be remembered that a low tax rate does not necessarily signify a low tax burden. Consequently, one must consider a particular nation's tax base to properly gauge the tax burdens. In addition, a cut in one type of tax often results in an increase in other types of taxes, as governments must continue to secure tax revenues. Nevertheless, in the absence of harmonized tax bases, the survey's comparison of global tax rates provides a useful impression of international corporate tax burdens.

Other factors to consider when comparing tax burdens include:

- Indirect taxes;
- Other financial inducements for domestic investment; and
- The sophistication of the tax law.

[Forward text and graphs provided by Eric Axler, KPMG LLP, in the United States.]

Table 1
Average Corporate Tax Rates at 1 January 2003

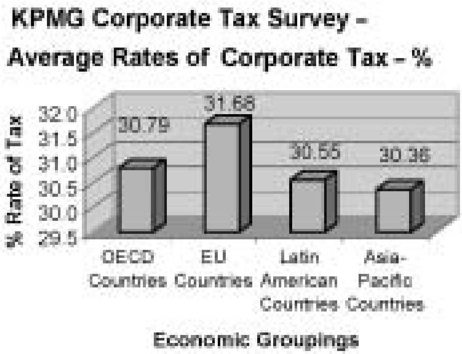
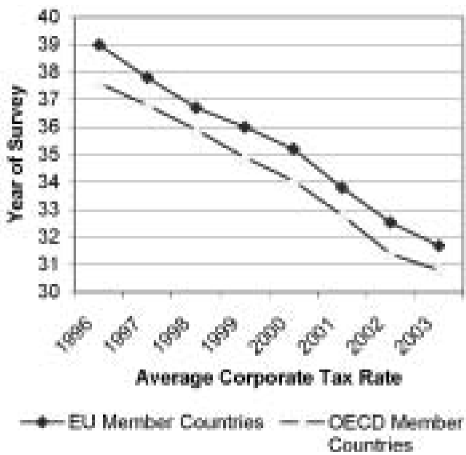


Table 2
OECD and EU Average Corporate Tax Rates – 1996–2003



KPMG's Corporate Tax Rates Survey – January 2003

OECD ◆	EU ◆	Asia Pacific ◆	Latin America ◆	Country	1 Jan 2002 (%)	1 Jan 2003 (%)		Notes
			◆	Argentina	35	35		1
◆		◆		Australia	30	30		2
◆	◆			Austria	34	34		3
		◆		Bangladesh	35	30		4
◆	◆			Belgium	40.17	33.99		5
			◆	Belize	25	25		6
			◆	Bolivia	25	25***		7
			◆	Brazil	34	34		8
◆				Canada	38.6	36.6		9
			◆	Chile	16	16.5		10
		◆		China	33	33		11
			◆	Colombia	35	35		12
			◆	Costa Rica	30	36		13
				Croatia	20	20		14
				Cyprus	23/28	10/15		15
◆				Czech Republic	31	31		16
◆	◆			Denmark	30	30		17
				Dominican Republic	25	25******		
			◆	Ecuador	36.25	36.25		18
			◆	El Salvador	25	25		19
		◆		Fiji	32	32		20
◆	◆			Finland	29	29****		
◆	◆			France	34.33	34.33		21
◆	◆			Germany	38.26	39.58		22
◆	◆			Greece	25/35	25/35		23
			◆	Guatemala	31	31		24
			◆	Honduras	25	25***		25
		◆		Hong Kong	16	17		26
◆				Hungary	18	18		27
◆				Iceland	18	18		28
		◆		India	35.7	36.75**		29
		◆		Indonesia	30	30		30
◆	◆			Ireland	16	12.5		31
				Israel	36	36		32
◆	◆			Italy	40.25	38.25		33
◆		◆		Japan	42	42		34
◆		◆		Korea, Republic of	29.7	29.7		35
◆	◆			Luxembourg	30.38	30.38		36
		◆		Malaysia	28	28		37
◆			◆	Mexico	35	34		38
◆	◆			Netherlands	29/34.5	29/34.5		39
◆		◆		New Zealand	33	33		40
◆				Norway	28	28		41
		◆		Pakistan	35	35***		42
			◆	Panama	37	30		43

OECD ◆	EU ◆	Asia Pacific ◆	Latin America ◆	Country	1 Jan 2002 (%)	1 Jan 2003 (%)		Notes
		◆		Papua New Guinea	25	30		44
			◆	Paraguay	30	30		45
			◆	Peru	30	27		46
		◆		Philippines	32	32		47
◆				Poland	28	27		48
◆	◆			Portugal	33	33		49
				Romania	25	25		50
				Russia	24	24		51
		◆		Singapore	24.5	22		52
◆				Slovak Republic	25	25******		
				South Africa	37.8	37.8		53
◆	◆			Spain	35	35		54
		◆		Sri Lanka	42	35		55
◆	◆			Sweden	28	28		56
◆				Switzerland	24.5	24.1		57
		◆		Taiwan	25	25		58
		◆		Thailand	30	30		59
◆				Turkey	33	33		60
				Ukraine	30	30		61
◆	◆			United Kingdom	30	30		62
◆				United States	40	40		63
			◆	Uruguay	30	35		64
			◆	Venezuela	34	34		65
		◆		Vietnam	25/32	25/32		66

Note

- A simple comparison of tax rates is not sufficient for assessing the relative tax burdens imposed by different governments. The method of computing the profits to which the tax rates will be applied («the tax base») should also be taken into account.
- The above rates do not reflect payroll taxes, social security taxes, net wealth taxes, turnover/sales taxes and other taxes not levied on income.
- The 2002 effective tax rate for Germany has been restated from 38.36% to 38.26% to reflect updated information in respect of the average multiplier required to calculate trade taxes.

** At the time of publishing, the tax rate is not yet finalized. The rate shown is the proposed 2003 tax rate.

*** Please note that the 2002 tax rate was used for 2003 reporting purposes for these countries, as we have yet to receive the current rates.

**** Source: Statutes of Finland – Suomen säädöskokoelma (20.12.2002/1164), December 2002

***** Source: Dominican Republic Tax Code, law 11-92 of May 16, 1992.

****** Source: Art. No. 21 of Act No. 366/1999 Coll. on Income Taxes as amended

1 **Argentina** *(2003 rate = 35%)*: Dividends are non-taxable if the amount distributed does not exceed the corporation's taxable income. The excess will be subject to a withholding tax of 35%. Stock dividends are not subject to withholding taxes (Art.69.1 Income Tax Law). Corporations, including subsidiaries of foreign companies, are taxed at a flat 35% rate (Art.90 Income Tax Law). There is a 1% tax on a company's assets (excluding liabilities) that serves as a presumed minimum income tax (Law 25.063).

2 **Australia** *(2003 rate = 30%)*: The corporate income tax rate applies to income earned during the period 1 July to 30 June. If a company has approval to use a different year-end for tax purposes, the period-approved must still relate to a 30 June year-end (i.e., year ended 31 December 2002 will generally relate to the year of income in which the accounting periods ends – i.e. 30 June 2003). For the year 1 July 2001 to 30 June 2002 and later income years, the corporate income tax rate is 30%. Source: *Income Tax Rates Act*, (Commonwealth of Australia). Section 23.

3 **Austria** *(2003 rate = 34%)*: Due to restrictions on the deductibility of expenses, the tax base for corporations usually differs from their financial statement profits.

4 **Bangladesh** *(2003 rate = 30%)*: Publicly traded companies (i.e. listed companies other than banks and financial institutions) are taxed at 30% from 1 January 2003; all other companies including branches of foreign companies are taxed at 35%; banks and financial institutions including branches of foreign banks and financial institutions are taxed at 40%. If a publicly traded company, other than banks and financial institutions, pays dividends at least at 20% of paid up capital within six months from the end of its accounting year then a rebate of 10% of tax payable is allowed. Any new industrial company setup between the first day of July 2002 and 30 June 2005 may pay corporate tax at 20% for a period of five years provided it is not enjoying tax holiday. Source: This information is provided from a publication in August 2002 titled «Important Changes brought in by the Finance Act 2002 by Rahman Rahman Huq, Bangladesh.

5 **Belgium** *(2003 rate = 33.99%)*: The new rate of 33.99% was introduced by law of 24 December 2002 (Belgian official gazette of 31/12/2002) and is applicable as of income years starting 01/01/2003 (tax year 2004). A lower tax rate applies to companies that are owned more than 50% by individuals. The tax rate incorporates a «crisis» levy of 3%. Source: art. 215 of the Belgian Income Tax Code as changed by art. 12 of the law of 24 December 2002. Crisis levy: art. 463bis B.I.T.C. last changed by art. 3 of the law of 12 August 2000).

6 **Belize** *(2003 rate = 25%)*: A monthly business tax on gross revenues was enacted in July 1998 and at the same time the corporate income tax was abolished. For most companies, the business tax was established at the rate of 1.5%. In April 1999, corporate income tax was re-enacted at a reduced rate of 25% (previously 35%) and the business tax was reduced to 1.25%. Business tax assessed during the year is credited against the corporate income tax liability, and, at the end of the tax year, any excess corporate tax liability is cancelled provided a corporate income tax return is filed. Business tax remains as the final tax, and any excess over the corporate tax liability is claimed as an expense in the following year's corporate tax filing. Approved losses, based on corporate tax filings, can be offset against 20% of the monthly assessment to business tax. Source: Belize Income and Business Tax Act, Chapter 55, Revised Edition 2000 of the Laws of Belize.

7 **Bolivia** *(2003 rate = 25% Please note that the 2002 tax rate was used for 2003 reporting purposes for this country, as we have yet to receive the current rate):* The main corporate tax levied by the central government is the annual profit tax («IUE») currently levied at a rate of 25%. The amount settled with the authorities for this tax is considered as an on-account payment towards the subsequent year's 3% Transactions Tax. An effective tax rate of 12.5% applies to payments of income/net dividends to non-resident parent companies. Certain activities that are partly performed in Bolivia by foreign companies' branches or agencies are subject to different tax rules. Such activities include transportation, international news agencies, foreign insurance companies and distribution of movies and videotapes. An effective rate of 5.5% is applied to gross income arising from these activities. When paid or credited, the amount resulting from applying this rate is treated as follows: The amount resulting from applying 4% can be offset against any liability arising from the 3% Transactions Tax. The balance of 1.5% may not be used in this way.

Where the above-mentioned activities are performed by companies established in Bolivia and these companies contract with foreign companies then a withholding tax of 2.5% will apply on remittances or credits recorded to such foreign companies.

8 **Brazil** *(2003 rate = 34%)*: The 34% rate is the sum of Corporate Income Tax and Social Contribution Tax on Profits. The corporate income tax rate is 25%, which comprises a 15% basic rate plus a surtax of 10% on annual income over BRL 240,000. There is also a Social Contribution Tax of 9% on corporate income. A tax credit *(bonus de adimplência fiscal)* related to the Social Contribution Tax may be available under specific circumstances, calculated at 1% on a specific basis – the basis is currently 12% of gross sales revenues plus 100% of other revenues (financial revenues, etc.).

9 **Canada** *(2003 rate = 36.6%)*: Includes federal tax of 24.1% (including surtax) for 2003 plus provincial tax. Depending on the province, the total effective rate for 2003 ranges from 33.0% to 41.1% (27.1% to 38.1% for manufacturers). Source: Income Tax Act (Canada), RSC 1985, c. 1 (5th Supp.) as amended; and the Ontario Corporations Tax Act, RSO 1990, c. 40, as amended.

10 **Chile** *(2003 rate = 16.5%)*: During 2001, a new Corporate Tax Rates law was issued. According to this new law, the corporate tax rate will increase from 15% to 17% over a three-year period. This means that corporate income earned in 2002 will be subject to a 16% tax rate; income earned in 2003 will be subject to a 16.5% rate and income earned in 2004 and subsequent years will be subject to a 17% tax rate. If corporate profits are distributed abroad, the withholding tax rate is 35%, with a credit for the tax previously paid on undistributed profits (the amount of the credit will depend on the tax rate paid by the profits distributed, 15%, 16% or 16.5%). Profits distributed to physical persons in Chile are subject to a progressive rate applicable to the recipient of the distribution. Profits distributed to legal entities domiciled or resident in Chile are not subject to Income Tax. Source: KPMG Chile 2003 and the Chilean Income Tax Law.

11 **China** *(2003 rate = 33%)*: This tax rate is applicable to Foreign Investment Enterprises («FIE») and includes both the state tax rate of 30% and a local tax of 3%. Domestic enterprises are subject to a different set of tax laws and regulations. Please note that the state tax rate of 30% may be reduced to 15% or 24% if the FIE is located in one of the specially designated zones in the Peoples Republic of China (PRC) and/or engaged in associated operations or projects. In addition, qualified FIE may be entitled to a tax exemption or reduction during a tax holiday period. The local tax of 3% may be waived or reduced by the local government.

12 **Colombia** *(2003 rate = 35%)*: Dividends transferred abroad are subject to a 7% withholding tax. However, this liability will be deferred where the dividends are reinvested in Colombia and will be cancelled completely if such a reinvestment is maintained for at least 5 years. If dividends have not already been taxed in the Colombian corporation, then a withholding of 35% will also apply when such dividends are distributed. 2002 Tax Reform created a surcharge that applies on taxpayers who are liable to file income tax returns in Colombia. For 2003, the surcharge is equal to 10% of the net income tax. Starting from 2004, this surcharge will be equivalent to 5% of the net income tax. There is also a municipal industry and commerce tax on total revenues. Rates range from 4.14% up to 13.8%. 80% of the Municipal Industry and Commerce tax is deductible for income tax purposes. Source: © 2003 Impuestos y Servicios Legales LTDA (Tax and Legal Services LTDA), the Colombian member firm of KPMG International, a Swiss non-operating association.

13 **Costa Rica** *(2003 rate = 36%)*: The Corporate Income Tax rate is 30%. Nonetheless, the Tax Contingency Law recently enacted additional taxes that would be in force for a twelve-month period, as of January 1, 2003. In this regard, an additional Corporate Income Tax of 6% was created, thus, increasing the former 30% to 36%. Furthermore, other additional taxes, such as withholding taxes, were created and therefore, increasing the former tax rates. For example, the withholding tax rate on the distribution of dividends and the payment of interests would increase from 15% to 16.5%, the withholding tax rate on technical assistance services would increase from 25% to 27.5% and the withholding tax rate on services would increase from 30% to 33%. Source: Income Tax Law N. 7092 of April 21, 1988, published in the official Gazette N. 69 of May 19, 1988, articles 15 and 59. Tax Contingency Law N.

8343 of December 16, 2002, published in the official Gazette N. 250 of December 27, 2002, articles 30 and 57.

14 **Croatia** *(2003 rate = 20.00%)*: The Corporate Profit Tax («CPT») rate is 20.00%. The CPT rate is lower (25%, 50%, 75% of the prescribed rate) in special «state care» areas and in the Vukovar city area. The CPT rate may decrease with investments (down to 7%, 3% and 0% for investments of 10, 20 and 60 million Kuna respectively) in newly founded Croatian companies if certain conditions are met. The CPT rate is lower (50% of the prescribed rate) or eliminated (if an investment higher than 1 million Kuna is made in the Free Trade Zone infrastructure) for companies operating in Free Trade Zones. The withholding tax rate is 15% and applies to a range of payments made by Croatian legal entities to foreign legal entities (Source: Republic of Croatia, Ministry of Finance, Corporate Profit Tax Law, December 2000). Tourist and Forestry taxes are turnover taxes and have been included in the calculation of the total effective tax burden. For tourist tax, if applicable, there are two major categories according to the type of the business, which are divided in sub-categories depending on where business is conducted and the range of rates is 0,08 to 0,25 (Source: Republic of Croatia, Ministry of Finance, Law on Tourist Community Membership, April 1994). Forestry tax rate is 0,07% of total company turnover (Source: Republic of Croatia, Ministry of Finance, Law on Forest, February 2002).

15 **Cyprus** *(2003 rate = 10%/15%)*: The Corporate tax rate is 10% but for the years of assessment 2003 and 2004, where the chargeable income of a company or public corporate body exceeds the amount of one million pounds it shall be subject to an additional tax at the rate of 5% on the amount exceeding one million pounds (CY£ 1,000,000). Every «public corporate body» (a legal person of public law or any other public corporate body established by law for the public interest not withstanding that such a body is deemed to be an agent, servant of the state or in consimili casu to servant of the state) is subject to levy of special contribution for the Defense of the Republic Law (2002) at the rate of 3% on its chargeable income except on income from dividends, interest and rents and before the deduction of losses. Source: The Income Tax Law, 118(I) / 2002 which came into force as from 1 January, 2003 and published in the Official Gazette of the Republic of Cyprus No 3622 of 15 July, 2002 and the Special Contribution for the Defense of the Republic Law No. 117(I)/ 2002 published in the Official Gazette of the Republic No 3622 of 15 July, 2002.

16 **Czech Republic** *(2003 rate = 31%)*: A special rate of 15% applies to the profits of investment and pension funds. Income from dividends is taxed at 15%. Manufacturing companies that meet conditions set by the Investment Incentives Act can benefit from a corporate income tax relief for up to ten years. Source: KPMG Ceska Republika, s.r.o., Czech Republic Tax Card, 2002.

17 **Denmark** *(2003 rate = 30%)*: Corporations must either make prepayments of corporate tax during the income year or pay a surcharge. There are no local taxes on corporations. Source: Corporate Tax Act, art. 17.

18 **Ecuador** *(2003 rate = 36.25%)*: The 36.25% is the sum of the Corporate Income Tax rate of 21.25% and a 15% employees' profit sharing tax. From 1 January 2002, the income tax rate on profits to be reinvested (in corporate assets) in the same company is 15%. The municipal tax is 0.0015% of total assets less current liabilities. Source: KPMG Peat Marwick C. Ltda., the Ecuadorian member firm of KPMG International, based on the Ecuadorian Tax Law.

19 **El Salvador** *(2003 rate = 25%)*: A prepayment of 1.5% on gross income is made on a monthly basis. This is compared at the end of the year with the annual income tax liability. There are no other taxes levied on income before tax. Dividends are not taxable.

20 **Fiji** *(2003 rate = 32%)*: In 2002, the corporate tax rate has been reduced to 32% for companies incorporated in Fiji and also companies operating as a branch of a non-resident company. The rate will effect from 1 January 2003 will remain at 32%.

21 **France** *(2003 rate = 34.33%)*: For the financial years closed in 2002 and 2003, the corporate tax rate, applicable to all companies, is 33.33% plus an additional contribution of 3% (of the 33.33% rate). Moreover, a 3.3% social contribution of the corporate income tax is applicable to companies the corporation tax of which exceeds Euro 763,000 with a gross income deduction of said amount, giving when applicable a CIT rate of 35.43%. Companies that (i) realize a maximum turnover of Euro 7,630,000, and

(ii) at least 75% of the share capital is continuously owned by individuals or by companies meeting the same conditions are subject to corporate tax at a specific rate of 15% on the portion of the taxable profit that does not exceed Euro 38,120. Such companies are also exempt from the 3.3% contribution.

22 **Germany** *(2003 rate = 39.58%)*: This rate applies to both retained profits and distributed profits. The rate includes corporate tax at 26.5% (Source: Sec. 23 Para. 1 German Corporate Income Tax Act) plus 5.5% solidarity surcharge hereon (Source: Sec. 4 German Solidarity Surcharge Act) and trade tax on income. The trade tax varies from 13.04% to 20.00%, assuming a municipality multiplier (Hebesatz) ranging normally from 300% to 500% (the average multiplier for 2001 was 385%, the lowest was 0%, the highest 900%; (Source: German Federal Office of Statistics, Finance and Tax 2001). Since the trade tax is a deductible item when calculating the corporate income tax, the corporate tax rate is based on the operating profit reduced by the trade tax of 16.14% assuming the average multiplier of 385% is applied.

23 **Greece** *(2003 rate = 25%/35%)*: The 35% rate applies to listed Anonymos Eteria (A.E.) companies (corporations) and to Eteria Periorismenis Efthynis (E.P.E. entities – limited liability companies). The same rate applies to domestic unlisted A.E. companies, banks and credit institutions operating as co-operatives and branches of foreign entities. General Partnerships (OE) and Limited Partnerships (EE) are considered legal entities in Greece and are subject to the corporate tax rate of 25%. A discount of 2.5% is given to companies that settle their corporate tax liability in full when they file their tax returns. A 3% surcharge applies to gross rental income, but the surcharge may not exceed the primary corporate tax. Source: Income Tax Law 2238 /1994.

24 **Guatemala** *(2003 rate = 31%)*: There is an annual company tax for mercantile and farm enterprises (IEMA) that resident companies must pay quarterly. The tax may either be calculated as 3.5% on the total assets or as 2.25% on the gross annual income. Balance sheet or P&L statements of the previous fiscal year must be used for this tax calculation. This payment can be used as a tax credit for any income tax liability arising in the following year. If the company does not generate taxable income in the following calendar year, the prior year payment of IEMA tax is treated as a minimum payment of income tax. Also, another option exists which allows that the income tax paid during calendar year can be deducted from the IEMA in the same calendar year. Source: Income Tax Law –Decree No. 26-92-; IEMA Tax Law – Decree No. 99-98.

25 **Honduras** *(2003 rate = 25% Please note that the 2002 tax rate was used for 2003 reporting purposes for this country, as we have yet to receive the current rate)*: Corporate income tax is levied at a rate of 15% on the first L 200,000 of taxable income and 25% on any excess over L 200,000. In addition, there is a net assets tax of 0.25% that is calculated on the monetary value of the assets that appear on the balance sheet less the allowances for doubtful accounts and accumulated tax depreciation. The amount of the income tax paid during the previous fiscal year is recognized as a credit against this tax.

26 **Hong Kong** *(2003/04 rate = 17.5% per Schedule 8, Inland Revenue Ordinance)*: Hong Kong SAR is a Special Administrative Region of the People's Republic of China. In the 2003/04 Hong Kong Budget handed down on 5 March 2003, the Government announced that the standard rate of profits tax for corporations will be increased from the previous rate of 16% to 17.5% for the 2003/2004 year of assessment.
The 17.5% rate applies to Hong Kong sourced profits that are derived by companies carrying on a business in Hong Kong. Profits derived from qualifying debt instruments may either be exempt from tax or subject to tax at one half of the standard rate of 17.5% (subject to proposed legislation). Profits derived from the business of reinsurance of offshore risks as a result of the carrying-on of a business as a professional reinsurer are subject to tax at one half of the standard rate. Interest income earned from Hong Kong bank deposits is exempt from Hong Kong profits tax (provided the deposit is not used to secure or guarantee a loan), as are profits earned by authorized mutual funds, unit trusts and certain collective investment schemes.

27 **Hungary** *(2003 rate = 18%)*: The tax rate on a corporation's taxable profits is 18%. A local business tax of up to 2%, based on turnover, is deductible from the corporation's tax base. A 20% withholding tax is imposed on dividends paid to foreign companies unless the recipients re-invest the dividends directly in a Hungarian company. However, most of Hungary's

tax treaties reduce the domestic withholding tax to between 5% and 15%. Dividends paid to Hungarian companies are not subject to withholding tax. An 18% withholding tax is imposed on interest and royalties; this rate however is usually reduced under the treaties to between 0% and 15%. Source: Section 1 (4), 15, 19 (1), 27 (1), (5) of the Act LXXXI. of 1996 on Corporate Income Tax and Dividend Tax; Section 39 and 40 of the Act C. of 1990 on Local Business Taxes; Double Tax Treaties concluded by Hungary.

28 **Iceland** *(2003 rate = 18%)*: This rate applies to limited liability companies. The rate for partnerships registered as taxable entities is 26%.

29 **India** *(2003 rate = 36.75%**)*: A minimum alternate tax is levied at the rate of 7.5% (plus surcharge of 5% of the tax) of the adjusted profits of those companies where the tax payable is less than 7.5% of their book profits (making the minimum effective tax rate 7.875%). Foreign companies are taxed at 42% (40% plus a surcharge of 5% of the tax). Non-residents and foreign companies engaged in shipping, air transport, and oil and gas and turnkey power projects are taxed on a deemed profit basis of 7.5%, 5% and 10% respectively (i.e., the effective tax rate for these companies is 3.15%, 2.10% and 4.20% respectively). With effect from tax year beginning on 1 April 2002, all taxpayers (including foreign companies) are required to pay surcharge on the income-tax payable by them. Source: Section 2 of the Finance Act, 2002 read with Part I of the First Schedule thereto.

30 **Indonesia** *(2003 rate = 30%)*: This rate applies to a resident's income over IDR 100 million. Income between IDR 0 – 50 million is taxed at 10%, and income between IDR 50 – 100 million is taxed at 15%. Certain income received by non-residents is taxed at 20%. An additional 20% branch profits tax is imposed on the after-tax profits of a permanent establishment (subject to treaty relief).

31 **Ireland** *(2003 rate = 12.5%)*: A 25% rate applies to passive income and income from certain land dealing activities, mining and petroleum activities. A special 10% rate applies to manufacturing companies and qualifying income of IFSC (International Financial Services Centre) and Shannon companies. This special rate will expire between 2003 and 2010 (depending on the type of company in question and when it received approval for the 10% rate) and will be replaced by the standard 12.5% rate. Capital Gains are taxed at the rate of 20%. Source: KPMG Dublin, March 2003.

32 **Israel** *(2003 rate = 36%)*: Financial institutions are subject to a profits tax at the rate of 18% and a payroll tax at the rate of 18%, both of which are deductible for income tax purposes. The effective rate of tax on such corporations is 45.76%. Companies with an «approved enterprise» enjoy reduced rates of tax that vary depending on the national priority zone in which the company is located, the type of incentive scheme applied for and the level of foreign ownership in the company. Capital gains are liable to 25% tax with effect from 2003. Special terms apply to assets purchased prior to December 31,2002. Certain foreign dividend income is liable to a reduced 25% tax rate. Source: Israeli Tax Ordinance.

33 **Italy** *(2003 rate = 38.25%)*: This rate is comprised of the 34% corporate income tax rate (IRPEG) and the basic 4.25% regional tax (IRAP) that is applied on a different (wider) tax basis from that utilized for the calculation of the corporate income tax (consequently, the effective rate is normally higher than the one indicated above). With regard to 2002 the IRPEG tax rate has decreased by 2%. This reduction represents the first phase of the corporate tax reform programmed by the Italian government whose objective is to subsequently bring the overall tax rate down to 33% (i.e. European average). The government also intends revising the taxable base. A «participation exemption» system is also envisaged. Furthermore, the objective to reduce the taxable charge for companies that the government intends on obtaining, by means of the aforesaid reform, must be completed by a gradual reduction of IRAP until it has disappeared entirely. With regard to IRAP it is to be noted that for 2003 there are no significant changes over 2002 (although there have been a few small changes to the taxable basis). Furthermore the basic rate for banks and insurance companies have been decreased by 0.5% and brought into line with the standard rate of 4.25%. It is to be recalled, however, that the Italian regions currently have the right to vary (either increasing or decreasing) the aforesaid 4.25% IRAP rate by up to 1%.

34 **Japan** *(2003 rate = 42%)*: Includes corporate income tax (30%), business, prefectural and municipal taxes. The rate shown is the effective tax

rate after taking into account the deduction for business tax. Source: Corporation Tax Law and Local Tax Law in Japan.

35 **Korea, Republic of** *(2003 rate = 29.7%)*: With effect from 1 January 2002, the corporate income tax rate was reduced by 1% as part of the Korean government's measures to stimulate corporate investment in Korea. Therefore, where taxable income exceeds KRW 100 million then a tax rate of 29.7% (previously 30.8%) will apply (inclusive of resident surtax). For taxable income up to and including KRW 100 million a tax rate of 16.5% (previously 17.6%) will apply (inclusive of resident surtax). In addition, the special surtax on capital gains from the sale of real estate has been abolished with effect from 1 January 2002. An additional 15% tax also used to apply on excessive earnings accumulated by unlisted companies with a net worth of over KRW 10 billion or on companies that were part of a conglomerate. This tax has been eliminated with effect from 1 January 2002.

36 **Luxembourg** *(2003 rate = 30.38%)*: The rate of corporate income tax («IRC») (including a 4% employment fund contribution) is 22.88%. The 30.38% rate includes municipal business tax at an effective rate of 7.5%, or 6.98% for business undertakings not subject to IRC (although rates vary among regions). From 2002, Municipal tax is no longer deductible for corporate tax purposes or from its own base. Source: Luxembourg corporate tax law for the corporate tax rate and Luxembourg trade tax law for the trade tax rate.

37 **Malaysia** *(2003 rate = 28%)*: Profits from inward reinsurance and offshore insurance are taxed at 5% (Section 60A[2] of the Income Tax Act, 1967 [the Act]). Income from a life fund is taxed at 8% (Part VIII of Schedule 1 of the Act). A non-resident is taxed either on 5% of gross shipping or air transport income derived from Malaysia or on that part of the Malaysian gross income computed in the proportion of world-wide profits to world-wide gross income (Section 54[3] and [4] of the Act). Income derived by residents from the transportation of passengers or cargo on board Malaysian ships is exempt (Section 54A of the Act). Companies engaged in petroleum operations are subject to petroleum income tax at 38% of net profits (Section 23 of the Petroleum [Income Tax] Act, 1967). Leasing income received by a non-resident without a permanent establishment in Malaysia for use of movable property is taxed at 10% (Part V of Schedule 1 of the Act). If leasing income constitutes business income of a permanent establishment then it will be taxed at 28% (Part 1[2] of Schedule 1 of the Act). Chargeable income of up to RM100,000 of a small and medium scale company is taxed at 20% with the balance exceeding RM 100,000 being taxed at the normal rate of 28% (Part 1[2A] of Schedule 1 of the Act). This is effective from Year of Assessment (YA) 2003 and subsequent YAs. Small and medium scale companies are those companies with paid up capital (ordinary shares) of RM2.5 million and less.

38 **Mexico** *(2003 rate = 34%)*: The Mexican Income Tax Law provides a 32% corporate tax rate, a transitory provision has stated that for 2002 the corporate tax rate will remain at 35%. The 35% corporate tax rate will gradually reduce by one percentage point each year until it reaches 32% by 2005. For 2003, the corporate tax rate will be 34%; for 2004, it will be 33% and then in 2005 it will be reduced to 32%. Furthermore, this law eliminates the 5% withholding tax on dividend distributions. Additionally, this law also eliminates the option to defer a portion of the corporate tax when dividends are not distributed (provisions in force for years 1999, 2000 and 2001). Source: Mexican Income Tax Law.

39 **Netherlands** *(2003 rate = 29%/34.5%)*: A 34.5% corporate tax rate applies from 1 January 2002. However, on the first Euro 22,689 (NLG 50,000) of taxable profit a reduced rate of 29% is applied.

40 **New Zealand** *(2003 rate = 33%)*: The corporate income tax rate applies to a year of income 1 April to 31 March. If a company has approval to use a different year-end for tax purposes the period approved will still relate to a 31 March year-end (i.e., a balance sheet date from 1 October to 30 September is in lieu of the 31 March in the middle of that period. 31 December is in lieu of the following 31 March). Distributions to resident shareholders can be imputed to the extent tax has been paid. Non-resident shareholders pay no more than 33% if the dividend is fully imputed. Although New Zealand has a withholding tax of 15% on dividends, this is effectively removed to the extent the New Zealand company paying the dividend attaches imputation credits. New Zealand levies NRWT (Non-resident withholding tax) on all interest and royalties derived by non-residents,

although the tax on interest can be reduced to 2% if it is paid as a non-creditable levy. A withholding tax of 15% (that can be reduced to zero in certain circumstances, i.e. if there is no permanent establishment in New Zealand) applies to the use of machinery, plant and equipment and some services provided by non-residents. A flat tax of 3.3% applies to general insurance premiums and film hire taxes paid to non-residents. Source: KPMG, Wellington, New Zealand.

41 **Norway** *(2003 rate = 28%)*: For 2003, the corporate tax rate is 28 %. The effective tax rate for dividends received by resident shareholders from resident companies is 0% for the year 2003. Source: The Norwegian Tax Act and the Norwegian Parliament's annual tax resolution of 2 December 2002 § 3-3.

42 **Pakistan** *(2003 rate = 35% Please note that the 2002 tax rate was used for 2003 reporting purposes for this country, as we have yet to receive the current rate)*: The corporate tax rates apply to income of an «assessment year» which corresponds to the «income year» of the taxpayer (i.e. a taxpayer who has income for the year January to December 2000 and another taxpayer who has income for the year July to June 2001 will both have the same assessment year i.e. 2001/2002).

43 **Panama** *(2003 rate = 30%)*: There is no other tax on corporate income besides 30% corporate income tax. A 10% dividend tax must be withheld by the enterprise when profits are distributed to shareholders. If there is no distribution, or if it is less than 40% of net earnings, a so-called complementary tax of 4% is due as an advanced dividend tax. The difference between this year's rate of 30% and last year's rate (37%) is that in the 2002 rate the dividend tax (10% of retained earnings) was included by us as a part of the effective tax rate and this year we have concluded that doing so was not necessary to determine the CIT effective tax rate. Source: Panamanian Fiscal Code, article 699 as it was modified by Law 28/1995.

44 **Papua New Guinea** *(2003 rate = 30%)*: Mining and gas companies pay tax at 30%. Existing Petroleum projects pay tax at 50% while new petroleum projects are taxed at either 45% or 30% depending on when the license is issued. Non-resident mining companies pay tax at 48%. A branch of a foreign company is also taxed at 48%. Non-residents are taxed on a deemed profit basis (shipping: 5%, i.e., an effective tax rate of 2.4% of gross income; insurance: 10%, i.e., an effective tax rate of 4.8% of gross income). Foreign contractors can elect to be taxed on a deemed profit basis of 25% (i.e., an effective tax rate of 12% of gross income). Source: Papua New Guinea Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates Act 1984.

45 **Paraguay** *(2003 rate = 30%)*: A general income tax rate of 30% is applied to income of companies established under Paraguayan laws but, since Paraguay does not levy personal income tax, certain payments to non-taxpayers are not fully deductible for corporate income tax purposes. Profits reinvested in industrial assets and forestation pay the income tax at 10%. As such, the effective rate may vary significantly depending on the corporation's activity.
Dividends of resident shareholders are not taxable but profits and dividends paid to non-resident shareholders are subject to an additional 5% rate. Foreign branches companies established in Paraguay pay tax at 35%. Foreign companies non-established, but which develop any taxable activity in the country, pay the income tax by withholding at a general tax rate of 17.5% applied to the gross income paid.
Special regimes: Cultural activities like education and edition and commerce of books for educational purposes, are exempt of income tax. Some encouraged activities have fiscal incentives (law 60/90) and pay income tax at a rate of 1.5% for a period from five up to ten years. Instead of all other taxes, companies under **«maquila»** regime pay only a special tax at a rate of 1% applied to the national added value. **Free Zones** companies pay a special income tax at a rate of 0.5% applied to exported gross income instead of all other taxes. The tax rate applied to stock exchange companies is 15%, up to year 2008.

46 **Peru** *(2003 rate = 27%)*: Tax on dividends paid will apply (4.1%) except where dividends are paid to domiciled entities. Stock dividends are not subject to taxes.

47 **Philippines** *(2003 rate = 32%)*: Domestic corporations and resident foreign corporations on the fourth year immediately following the year in which they started business operations (reckoned from the year they registered with the Bureau of Internal Revenue) are subject to the 2% minimum corporate

income tax (MCIT) based on gross income if the MCIT is greater than the normal corporate income tax. A 10% Improperly Accumulated Earnings Tax (IAET), subject to certain exceptions, is also imposed on undistributed earnings of closely-held corporations, which are corporations in which at least 50% in value of its outstanding capital stock or at least 50% of the total combined voting power of all classes of stock entitled to vote is owned directly or indirectly by 20 individuals or less. Foreign corporations with Philippine branches pay 15% branch profits remittance tax (PEZA – registered corporations are exempt) unless the applicable tax treaty provides otherwise. There are also several other special tax regimes for certain types of activities. Source: The Tax Reform Act of 1997, Republic Act No.8424, 1 January 1998.

48 **Poland** *(2003 rate = 27%)*: Income from dividends are taxed at 15%, interest and royalties due to foreign companies are taxed at 20% and certain transportation services provided by foreign companies are taxed at 10%. All payments to non-residents for intangible services (especially management, consulting and/or inspection services) are subject to 20% withholding tax. The above rates are applicable unless overruled by the relevant double tax treaty. Source: KPMG Polska Audyt Sp. z o.o., the Polish member firm of KPMG International, a Swiss nonoperating association.

49 **Portugal** *(2003 rate = 33%)*: This rate includes municipal tax at 3%. Municipal tax at a maximum of 10% of the national tax rate is levied in most municipalities. Source: KPMG Portugal, February 2003.

50 **Romania** *(2003 rate = 25%)*: The rate of 25% applies to income from regular activities. A special reduced tax rate of 12.5% in 2003 (6% in 2002) is applicable in respect of qualifying export earnings. Starting from 1 January 2004, such earnings will be subject to the standard corporate income tax of 25%. Starting from 1 July 2002, profits corresponding to the revenues earned from operations in the free trade zone are subject to a 5% corporate income tax. Starting 1 January 2005, such profits will be subject to the standard corporate income tax of 25%. Starting from 1 July 2002, profits earned from nightclubs, casinos, discotheques are levied at the standard income tax rate of 25%, but the income tax cannot be lower than 5% of qualifying gross revenue earnings. Micro-enterprises are defined as legal entities having less than nine employees, revenues of no more than EUR 100,000 and fully private capital. The corporate profit tax is calculated as 1.5% of the total **gross revenues** of the micro-enterprise. Source: Romanian Profit Tax Law no. 414/2002, published in the Official Journal of Romania no. 456 from 27 June 2002.

51 **Russia** *(2003 rate = 24%)*: This tax is established by federal authorities, but the payments are split between the federal budget (6.0%, 2002 – 7.5%), regional budgets (16%, with the right to reduce this to 12%, 2002 – 14.5%, with the right to reduce it to 10.5%) and local budgets (2%). A withholding tax is levied on income of foreign legal entities at a rate of 20%. Where dividends are paid to non-residents, the withholding tax rate is 15%. Freight income is taxed at 10%. Interest income on state securities is taxed at 15% or 0%. Source: Tax Code of the Russian Federation.

52 **Singapore** *(2003 rate = 22% – applicable with effect from the Year of Assessment 2003 on income derived in or after the year 2002)*: A partial tax exemption is granted on the first S$ 100,000 of chargeable income as follows: 75% up to the first S$10,000 of chargeable income and 50% on the next S$90,000. The partial tax exemption is not applicable to Singapore dividends, income subject to tax at the concessionary tax rate and income (such as interest, rent and royalty) derived by non-resident companies that is subject to a final withholding tax.
A concessionary tax rate of 10% applies to entities engaged in certain offshore activities including offshore banking, offshore leasing, offshore insurance and reinsurance, offshore global trading, international art and antique dealers, credit rating agency, cyber trading, finance and treasury centers and operational headquarters companies. Shipping enterprises transporting outbound passengers, mail, livestock or goods from Singapore are exempt from tax. For certain activities, approval needs to be sought before the concessionary tax rate can apply. Source: KPMG Singapore Tax Services, Jan 2003.

53 **South Africa** *(2003 rate = 37.8%)*: The corporate tax rate applicable to companies is currently 30%. However South Africa imposes an additional «Secondary Tax on Companies» at the rate of 12.5% on any net dividends declared. The effect of this additional tax is that if a company distributes 100% of its retained earnings as a dividend, then an effective

tax rate of 37.78% will apply. This does not apply to gold mining companies, which are taxed on a formula basis. Source: Income Tax Act 58 of 1962 as amended by Act No. 30 of 2002 issued by the South African Government.

54 **Spain** *(2003 rate = 35%)*: Companies whose turnover in the immediately preceding tax period was less than five million Euros are taxed at 30% for the part of the taxable base between 0 and Euro 90,151, and at the general tax rate of 35% for the rest of the taxable base. Extraordinary profits: As from 1 January 2003, taxable income obtained on the sale of fixed assets is taxed at a rate of 15% if the sale proceeds are reinvested. This reduced rate is obtained by deducting from the gross tax 20% of the taxable income obtained on the sale or transfer of fixed tangible and intangible assets as well as certain financial investments. Consequently, once the taxable income has been taxed at the general Corporate Income Tax rate of 35%, application of the 20% tax credit leads to an overall effective tax rate of 15%.

55 **Sri Lanka** *(2003 rate = 35%)*: As legislated in terms of the Inland Revenue Act No: 38 of 2000. Corporate Income Tax, assessed for year of assessment commencing 1 April. If company has approval to use different year-end for tax purposes, the period must still relate to year of assessment (i.e. year ended 31 December 2002 will relate to year of assessment 2002/03). For year of assessment 1 April 2002 to 31 March 2003, the corporate income tax rates are as follows: Companies with taxable income of less than Rs 5 Mn and Specialized Housing banks at 20% while others taxed at 35%. Listed companies are entitled to tax credit computed at 5% on statutory income from business. Priority sectors, i.e. exports (other than traditional products), tourism, agriculture, and construction activity carried on by resident companies enjoy a concessionary tax rate of 15%. Remittance of profits by a non-resident company attracts a remittance tax of 33.33% (subject to a maximum of 11.11% of taxable income) in the fiscal year in which the remittance is made. Surcharge on income tax, advance corporation tax on dividends and tax on capital gains have been withdrawn with effect from 1 April 2002.
As per Government Fiscal Policy Proposals for 2003/04 pending enactment: taxable income more than Rs. 5 Mn 30%. Remittance tax is 10% on profit remittance by non-resident companies. The 5% tax credit available to quoted companies to be withdrawn.
50% of the tax savings from reduction in tax rate to be placed in a Human Resource Endowment Fund.

56 **Sweden** *(2003 rate = 28%)*: An optional provision for untaxed income is available. The provision must not exceed 25% of the tax base and must be dissolved within the following six years. Source: Swedish Income Tax Act as applicable on 1 January 2003.

57 **Switzerland** *(2003 rate = 24.1%)*: The effective corporate tax rate comprises federal, cantonal and municipal taxes. The rate shown is applicable for a company in the city of Zurich. This rate is fairly typical. The effective tax rate, based on pre-tax income, is lower than the statutory rate and amounts to 24.1%. Some cantonal income tax rates are progressive, which is determined on the basis of the ratio of income to the company's equity. Source: Pierre-Olivier Gehriger, Tax Partner KPMG Zurich.

58 **Taiwan** *(2003 rate = 25%)*: The corporate tax rate of 25% is the maximum rate in a progressive rate structure. The rate is applicable on income in excess of TW$ 100,000. Source: Clause 3, Article 5 of Taiwan Income Tax Law, updated on January 15, 2003.

59 **Thailand** *(2003 rate = 30%)*: The standard corporate tax rate on net taxable profits is 30%. A tax rate of 10% applies to the remittance of profits abroad. For small and medium enterprises («SME») or companies with less than Baht 5 million paid up capital, the corporate tax rate is reduced to 20% on the first Baht 1 million of net taxable profits and 25% on the next Baht 2 million but not exceeding Baht 3 million. The corporate tax rate is also reduced to 20% or 25% for companies registered with the Stock Exchange of Thailand («SET»), including the Market for Alternative Investment («MAI») subject to certain conditions. Corporate tax exemptions are granted to companies promoted by Board of Investment («BOI»), Asset Management Companies («AMC»), and venture capital companies investing in SMEs subject to certain conditions. New corporate tax incentives were introduced in 2002 for Thai Regional Operating Headquarters («ROH»). The corporate tax rate is reduced to 10% on qualifying ROH service income, royalties and interest and 0% on dividends received from associated enterprises. A corporate tax rate of 3% applies to gross income of companies engaged in international passenger transportation (subject to the effect of relevant double taxation treaties). A corporate tax rate of 10% applies to the net taxable profits of

companies engaged in International Banking Facility. A petroleum tax rate of 50% applies to the net taxable profits of companies granted with a concession to explore for and produce petroleum. A corporate tax rate of 10% applies to gross income (reduced to 2% for certain types of income) of foundations and associations engaged in business activities. Source: Thai Revenue Code and Thai Petroleum Income Tax Act.

60 **Turkey** *(2003 rate = 33%)*: The effective corporate tax rate is 33%, which is composed of a 30% corporate tax plus a 10% surcharge on corporate tax computed. When dividends are paid out, the company is required to make a withholding from the dividends. The normal rate of withholding tax is 16,5%, but it is 5.5% if the company is a listed company at Istanbul Stock Exchange. The non-resident taxpayers are liable to a 16,5% «branch profit tax», on the profit after the deduction of corporation tax, irrespective of whether profit is paid out or retained. If there are incomes exempted from corporate tax, they will be subject to income withholding tax irrespective of whether they are distributed or retained. The withholding taxes on such income ranges from zero to 19.8%, including a 10% surcharge. When such exempt income is paid out as dividends, there will be no further withholding tax on the dividends, corresponding to the exempt income. Source: KPMG Yetkin Denetim Tasdik ve Yeminli Mali Müsavirlik A.S., Investment In Turkey, April 2002.

61 **Ukraine** (2003 rate = 30%): The basic corporate tax rate is 30%. Special tax rates may vary according to enterprise activities (e.g. a 3% tax rate is charged on insurance income earned by Ukrainian insurance companies). Tax incentives can reduce the rate below 30%. A 15% withholding tax is imposed on non-Ukrainian resident companies on income from Ukrainian sources..

62 **United Kingdom** *(2003 rate = 30%)*: A nil rate (10% at 1 January 2002) applies to companies with taxable profits up to GBP 10,000, with marginal relief up to GBP 50,000. Companies with profits between GBP 50,000 and GBP 300,000 pay tax at a 19% rate (20% at 1 January 2002). Marginal relief applies on profits up to GBP 1,500,000. All these limits are reduced where there are associated companies. Source: Sections 13 and 13AA Income and Corporation Taxes Act 1988, section 35 Finance Act 2000, sections 54, 55 and 56 Finance Act 2001, and sections 31 and 32 Finance Act 2002.

Bermuda, Gibraltar, Guernsey, Isle of Man and Jersey: These countries are Dependent Territories or Crown Dependencies of the United Kingdom, which has formally confirmed that the OECD Convention applies to these countries. These countries are not included in calculating the averages and ranges indicated above.

63 **United States** *(2003 rate = 40%)*: The federal tax rate is 35%. State and local income tax rates generally range from less than 1% to 12%. A corporation may deduct its state and local income tax expense when computing its federal taxable income, generally resulting in an effective rate of approximately 40%. The effective rate may vary significantly depending on the locality in which a corporation conducts business.

64 **Uruguay** *(2003 rate = 35%)*: Corporate income tax is not deductible from taxable profits for the purposes of applying the 35% rate. The increase took place in May 31st, 2002 (article 3, Act 17502, of May 29, 2002). If the compliance of Uruguayan fiscal goals is reached by January 1st, 2004, the rate will be reduced to 30%. Source: KPMG Uruguay. March 2003.

65 **Venezuela** *(2003 rate = 34%)*: The effective tax rate depends on the application of investment tax credits for investments in fixed assets, which are currently 10% for corporations (except corporations in the hydrocarbons industries). Corporations engaged in the exploitation of hydrocarbons and related activities are generally subject to a 67.7% (50% starting in 2002) rate of tax on their income, including income from other sources.
The rate indicated does not include municipal business taxes which apply at rates ranging from 0.3% – 9.4% of gross income, depending on the district and the business activity. VAT, corporate registration fees and a 1% business asset tax also apply. Sources: Venezuelan Income Tax Law, Venezuelan VAT Tax Law, Municipal Patente Tax Laws from various Municipalities.

66 **Vietnam** *(2003 rate = 25/32%)*: The 25% tax rate applies to resident foreign invested companies (including, joint ventures, 100% foreign-owned companies, and business co-operation contracts). However, incentive rates (10%, 15%, 20%) will apply to encouraged projects. The 32% rate applies to local companies and branches of foreign companies, banks, and law firms. Again, incentives and tax holidays are available for encouraged projects. There is a proposal to reduce 32% rate to 25% rate in 2003. A 50% rate

only applies to oil and gas exploration companies. Source: Law on Foreign Investment in Vietnam in 1996 and its amendment in 2000; Law on Corporate Income Tax in 1997; Law on Petroleum in 1993 and its amendment in 2000; approved by the Vietnamese National Assembly.

Please note that in instances where no source is provided within the above country notes, the submission is that of the KPMG member firm, 2003.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.