



Tax Navigator

Navigate Tax Regulations with Data from SIX



FIRST EDITION

Contents

WELCOME TO SIX	3
GLOBAL TAX MAP	4
SIMPLIFY YOUR TAX COMPLIANCE	6
FINANCIAL TRANSACTION TAX	7
TAX WITHHOLDING	8
TAX SUITABILITY	9
TAX REPORTING	10

GLOSSARY

AEOI (CRS)	Automatic Exchange of Information (Common Reporting Standard)	PERI	Plan d'épargne retraite individuel
AT/LI	Austria/ Liechtenstein	PTM Levy	Panel of Takeovers and Mergers Levy
CGT	Capital Gains Tax	PTP	Publicly Traded Partnership
DDS	Deeply Discounted Securities	QI	Qualified Intermediary
FATCA	Foreign Account Tax Compliance Act	RRSP	Registered Retirement Savings Plan
FFI	Foreign Financial Institution	TEFRA C/D	Tax Equity and Fiscal Responsibility Act C and D rules
FTT	Financial Transaction Tax	TFSA	Tax-Free Savings Account
HMRC	HM Revenue and Customs	TOB	Belgian Tax on Stock Exchange Transactions
IUP Bond	Intérêt Unique Prédominant, Zero Bond	VDF	Valordata Feed
PEA	Plan d'épargne en actions		
PEA-SME	Plan d'épargne en actions destiné au financement des PME et ETI		

Welcome to SIX



For more than 90 years, SIX has been at the side of financial institutions, supporting their compliance teams with powerful, scalable, and now automated data and analysis. As the stakes get higher, the rules more complex, and the pressure ever greater, SIX remains a trusted partner for tax and compliance data and services.

SIX develops compliance data and services in collaboration with customers to ensure alignment with today's industry needs. We aim to make compliance easier by simplifying implementation, enabling automation and reducing total cost of ownership. Built on our core reference data expertise, our services provide rich regulatory content for more than 70 global regulations.

Tax regimes and regulations continue to evolve, creating new standards for reporting, consuming more resources, and threatening significant fines and reputational damage for the unwary. SIX helps its clients to remain competitive by providing tax data that can directly be leveraged in their Client Advisory and Investment Control workflows, so they can achieve successful tax suitability with detailed country-specific tax data points.

As a leader with long-standing experience in Tax Data Services, we will provide you with an overview of major use cases in the areas of transactions, withholding and reporting, regulatory reporting and suitability workflows.



Natasa Gligoric
Head Tax, Regulation & Funds

SIX IN BRIEF



GLOBAL
Worldwide presence in over 20 countries



TRUST
In the business of financial information for more than 9 decades



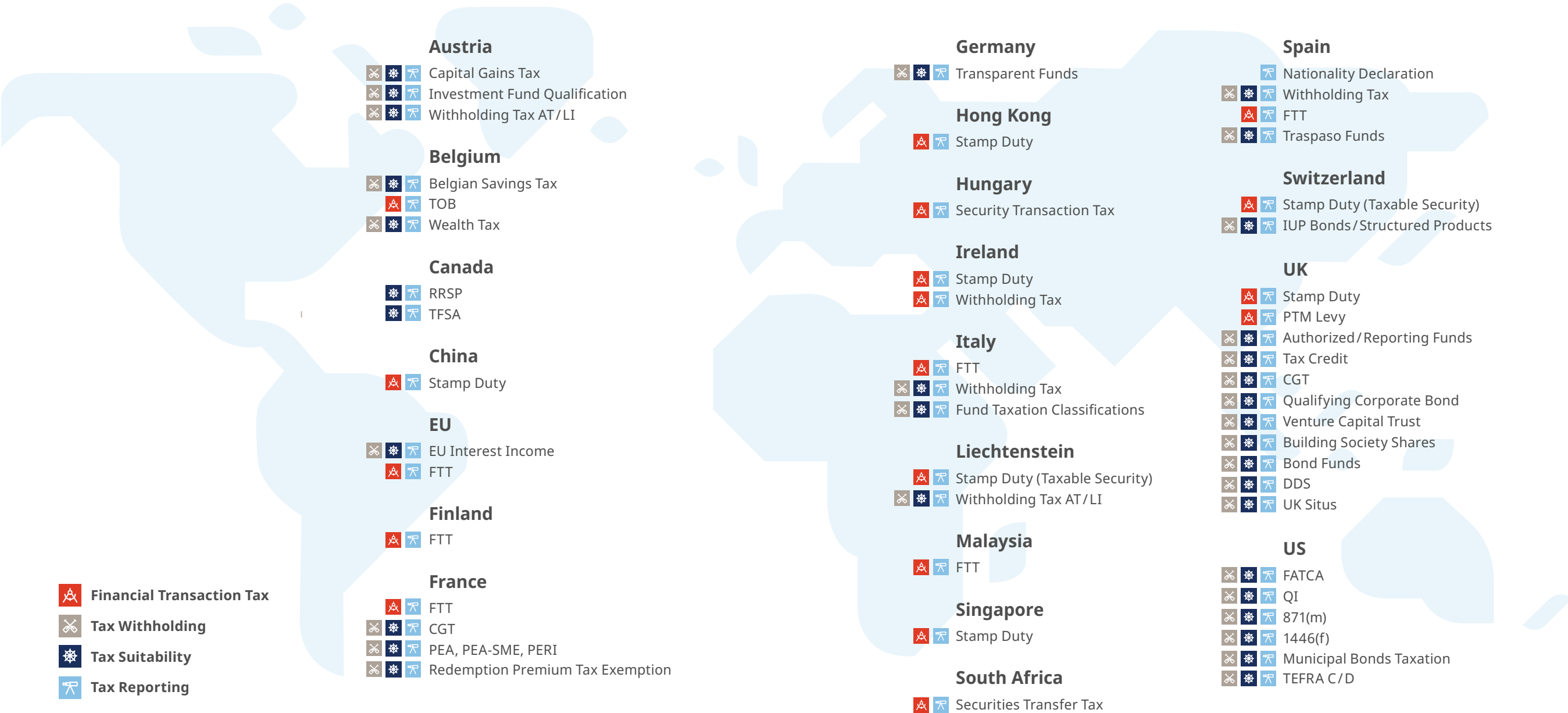
COMPLETE SERVICE
Front-to-Back Market data, Regulatory Services and Analytics



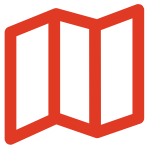
SUSTAINABILITY
SIX fosters the transformation to sustainable finance

Global Tax Map

Supporting You with Our Tax Data Services
in All Major Markets



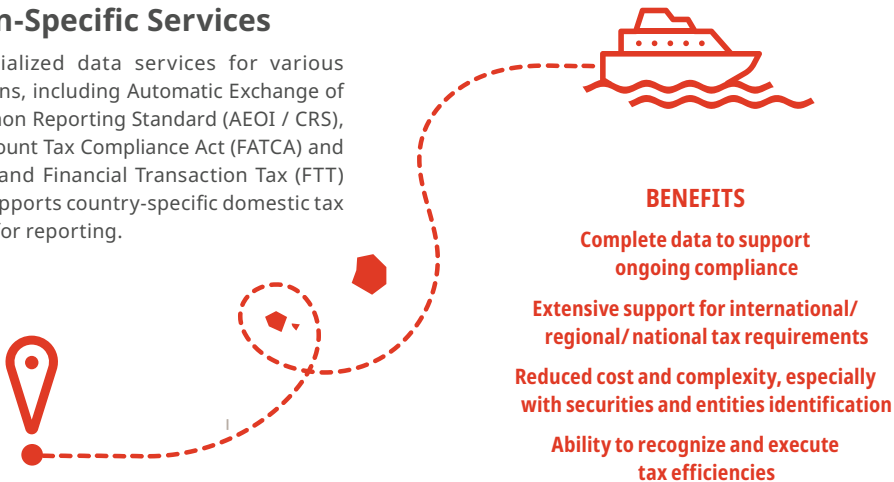
Simplify Your Tax Compliance



With SIX data, capturing and updating information on fast-moving global tax responsibilities is effortless. We untangle the complexities of identifying domestic and cross-border taxation requirements for instruments, issuers or individuals to drive your monitoring, withholding and reporting processes forward.

Regulation-Specific Services

SIX provides specialized data services for various global tax regulations, including Automatic Exchange of Information - Common Reporting Standard (AEOI / CRS), 871(m), Foreign Account Tax Compliance Act (FATCA) and many Stamp Duty and Financial Transaction Tax (FTT) regimes. SIX also supports country-specific domestic tax data requirements for reporting.



Clear Classification

Coupling the strength of its data capabilities with its regulatory expertise, SIX identifies every instrument that falls under a specific mandate, helping you easily grasp the universe of applicable securities and liabilities.

Aggregation and Calculation

SIX gathers and aggregates data to get a true picture of an instrument's construction and determine whether it applies to regulatory disciplines, based on rules and calculations.

Continuous Updating

From dividend payments to corporate actions, SIX captures all events that may impose a change on an instrument's tax liability. We continuously update our lists of flagged securities, providing firms with the most up-to-date information.

Primed for Processing

SIX data is structured and formatted to plug seamlessly into your compliance and advisory processes. In addition, flexible data delivery interfaces ensure your teams get data how and when they need it.



"Taxation data on financial products and fiscal Corporate Actions have been developed according to the highest standards, quality and automation. With dedicated national and international Tax Data Support teams, SIX provides the operational support for working with this specialized data set."

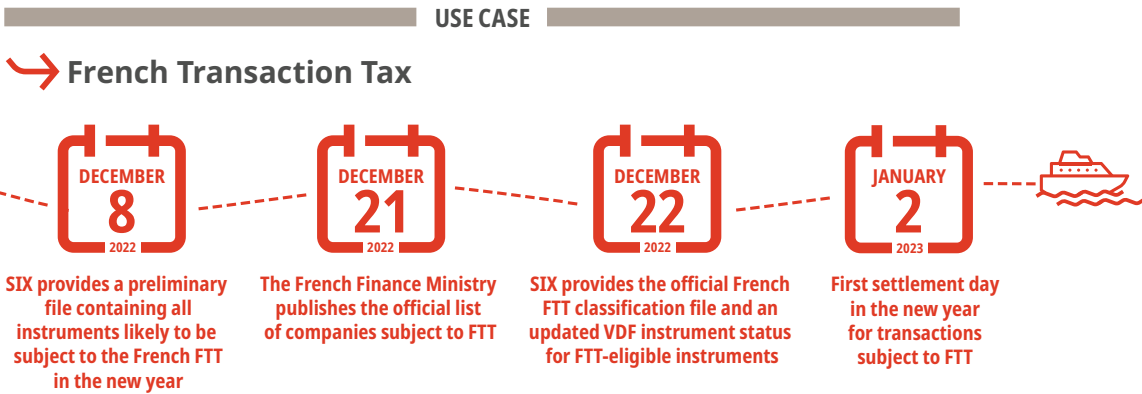
Jürg Stalder
Head of Regulatory Propositions

Financial Transaction Tax



Stamp Duty and Financial Transaction Tax (FTT) compliance for European securities and derivatives is already a challenge. As more jurisdictions implement and modify their transaction taxes, managing FTTs becomes even more challenging.

The FTT service from SIX helps financial intermediaries identify and apply current and future FTTs accurately and efficiently. Through a fully automated data feed, SIX provides up-to-date country-specific information on all in-scope securities and derivatives, so you are ready to comply with new taxes as soon as they come into force.



Identify financial instruments that fall under a country-specific tax regime. Our service supports pre-trade checks and operational requirements for calculating tax on eligible transactions. The FTT Data Support team ensures continuity of the service even in case of late provision of official eligibility lists by authorities.

USE CASE

Swiss Stamp Duty

Stamp Duty is collected by the Swiss Confederation when securities such as shares or bonds are issued or traded, as well as on insurance premiums. The service from SIX helps financial intermediaries to easily comply with the Stamp Duty circulars, guidelines and directives issued by the Swiss Federal Tax Administration (FTA) and is officially certified by the FTA since 2007.



"Since August 2012, SIX ensures the timely provision of eligibility information for instruments falling under the French FTT. Our expertise and market knowledge allow us to anticipate at the end of the year, which instruments will be added or removed from the universe of French FTT instruments."

Mireille Sacripanti
Head Tax Services France

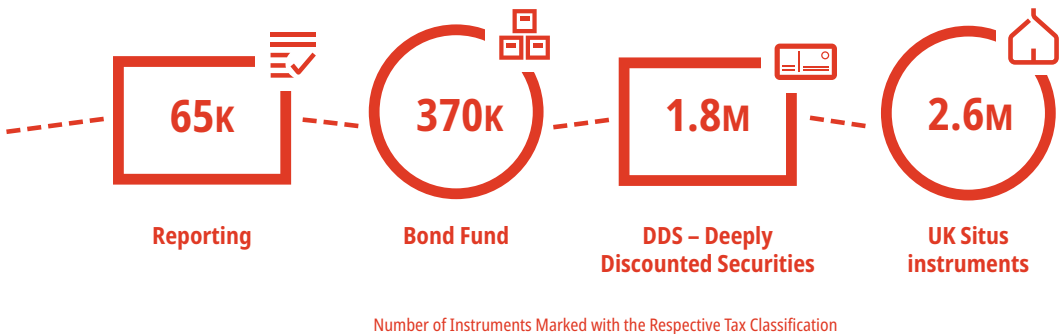
Tax Withholding



Constant changes to the international taxation system pose significant operational and technological challenges for businesses. SIX helps its clients to maintain domestic tax compliance through the provision of tailored data services and solutions. Our tax data offering is always evolving and expanding to include new jurisdictions and new requirements. If you are interested in a specific tax regime, we can help.

USE CASE

→ UK Domestic Tax Data Package



Originally developed from classifications used for the Withholding Tax Agreement between Switzerland and the United Kingdom, this data set has been developed to a comprehensive data package enabling the annual tax reporting for both resident and resident non-domiciled investors.



“Developed in close cooperation with leading Wealth Management firms, the UK Domestic Tax Data classification provides a standard, cross-asset approach for the taxation of products under HRMC criteria.”

Urs Rohrbach
Head of Swiss and International Tax

Domestic Tax

Tax Suitability



When it comes to investor tax jurisdictions, financial products and tax exposure, wealth managers have more complexity to manage than ever. SIX frees you from these challenges. We deliver timely, complete and granular data that encapsulates actual and potential tax implications, supporting compliance and giving you the information you need to best advise your clients.

USE CASE

→ SIX Tax Score®

Private investors are becoming more demanding and are increasingly asking for information on the tax implications of their investments. Client advisors need enhanced and enriched tax data at an instrument level that takes their clients' profile into account, as well as their investment portfolio structure, in order to make tax-intelligent investment decisions and optimize their portfolios. These requirements can become difficult to meet with current tax rules mostly available in the form of heavy tax manuals provided by tax experts. SIX Tax Score® helps client advisors by analysing the tax consequences of financial products and providing them with a tax efficiency score on an individual security level, while anticipating tax-related costs of an investment in that security.



USE CASE

→ UK Tax Suitability

Performing suitability and appropriateness tests can be cumbersome for Wealth Advisors. SIX Tax on Instrument helps Client Advisors and Portfolio Managers to achieve superior after-tax returns by providing insights about tax implications and costs, allowing them to optimize their clients' investment portfolios. Thanks to tax data from SIX you can identify tax-harmful products for UK resident non-domiciled (UK RND) clients.



“The UK Situs flag by SIX allows to identify potentially tax-harmful products for UK resident non-domiciled investors. In addition to this flag the UK Tax Score provides a value from 1 (tax efficient) to 100 (maximum tax applies) that gives a granular tax suitability indication for a prospective investor.”

Simone Po
Business Analyst

Tax Reporting



SIX supports reporting to tax authorities by providing information e.g. on reportable income events under CRS or reportable transactions that do not imply a withholding obligation. For US tax regulation 871(m) certain in-scope transactions will not result in a tax amount withheld, but need to be considered for inclusion in 1042-S reporting.

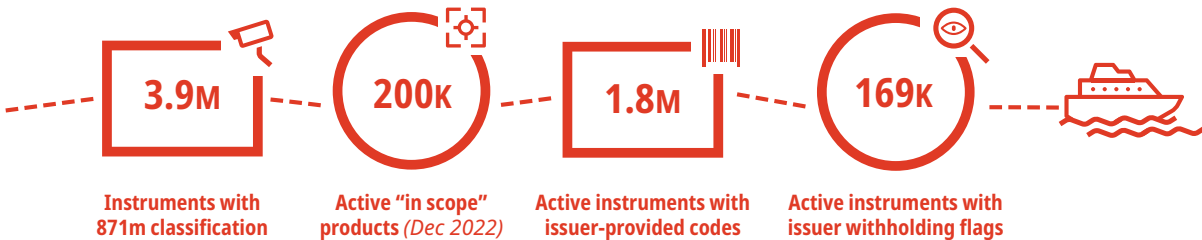
USE CASE

→ **FATCA**

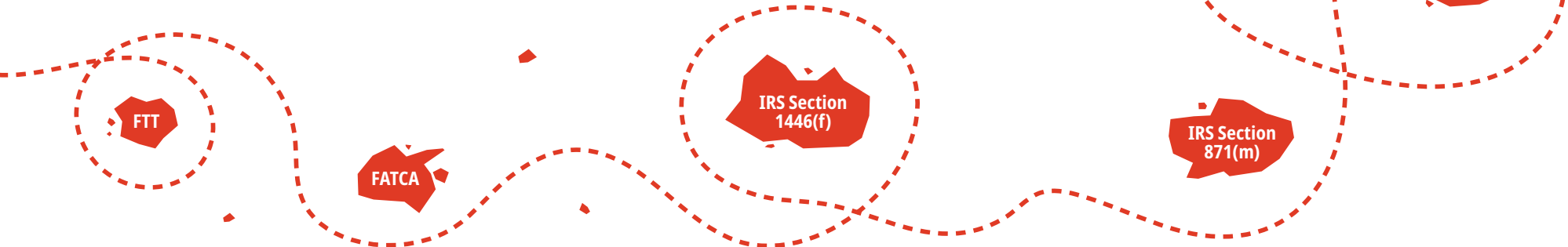
The US Foreign Account Tax Compliance Act (FATCA) requires FFIs to collect and analyze substantial amounts of new data to perform IRS reporting, customer and counterparty classification, and withholding mechanisms. Developed in close cooperation with banks and regulatory experts, the SIX FATCA compliance service delivers critical data on issuer identification and instrument status.

USE CASE

→ **IRS Section 871(m)**



The IRS regulation 871(m) aims to collect tax on dividend-equivalent payments for derivative instruments referencing US equity instruments. Transactions executed in US equity-linked derivative instruments, or those with non-qualified indices, may be "in-scope" for withholding and reporting. Determining which instruments are "in-scope" is a difficult task that requires a thorough understanding of equity-linked derivatives. Our expert knowledge of derivatives' delta, constituents, weighting, and performance makes this possible. As does our constant monitoring of dividend payments on the underlying instruments used by 871(m)-relevant derivatives.



USE CASE

→ **IRS Section 1446(f)**

SIX obtains PTP information from a trusted source or directly from partnerships, for instance the Investor Relation/ Tax Information section on the public website. Subsequently, SIX identifies and classifies US as well as non-US PTPs instruments by complementing the current US Tax Reportability attribute "Limited Partnership" and marks all PTP instruments that are in scope of 1446(f) with a "liable/ applicable – confirmed" flag. US and non-(US)- PTPs issuing withholding exemption statement in Qualified Notices are marked with a specific value. Additionally, US Limited Partnership instruments for which the PTP status still needs to be confirmed are marked with a "potentially liable/applicable" flag.

USE CASE

→ **CRS/AEoI**

The OECD's introduction of the Automatic Exchange of Information (AEoI) under the Common Reporting Standard (CRS) altered the tax landscape. Financial institutions must identify customers whose tax residence differs from their account's jurisdiction. SIX flags all income-generating corporate actions and classifies them according to CRS categories. This facilitates automated reporting and eases resource-intensive data cleansing.



"Originally developed out of conversations with industry focus and client working groups, the IRS Section 871(m) service from SIX provides the widest cross-asset coverage for product classifications of this complex tax regulation."

Jacob Gertel
Senior Content Manager

None of the information contained herein constitutes an offer or a recommendation to buy or sell or take any other action regarding financial instruments. SIX Group Ltd or its direct and indirect subsidiaries (hereafter: SIX) are liable neither for the completeness, accuracy, currentness and continuous availability of the information given, nor for any loss incurred as a result of action taken on the basis of information provided in this or any other SIX publication. SIX expressly reserves the right to alter prices or composition of products or services at any time. © SIX Group Ltd, 2023. All rights reserved.

We have offices in 20 countries; to get in touch with your local SIX office visit: www.six-group.com/contacts

SIX Financial Information Ltd.
Hardturmstrasse 201
P.O. Box
CH-8021 Zurich

T + 41 58 399 2111
www.six-group.com/financial-information

